Existing Conditions
May 2016

Harrisburg Tax Increment Reinvestment Zone

Table of Contents

Introduction

Tax Increment Reinvestment Number 23, also known as the Harrisburg Tax Increment Reinvestment Zone was created in 2011 by the City of Houston. TIRZ 23 is predominately located within the Greater East End Management District, which is located on the eastern side of Houston's downtown and extends east of US 59 to the Port of Houston. Historically, the area was a destination for German, Italians and Mexican American immigrants. The Second Ward and Magnolia Park, two of Houston's oldest neighborhoods, are located in the East End. During the 1990's the area experienced a dramatic increase in Hispanic population, primarily south of Buffalo Bayou.

Today the area reflects a mix of uses and character, from newer townhome and loft development closer to the downtown core to industrial and commercial uses along the Bayou and major roadway corridors, and a mixture of older neighborhoods each with their own distinct identity and character. The area is in need of revitalization and includes large tracts of underdeveloped parcels, vacant buildings, obsolete industrial and warehouse uses railroad tracks throughout and older residential neighborhoods.

Location

Figure 1 shows the boundaries of TIRZ #23, which encompasses approximately 1,460 acres of land. The Zone extends from east of downtown to 75th Street and includes Harrisburg Boulevard, Canal Street, N. Wayside Drive and S. Sgt. Macario Garcia Drive. TIRZ #23 is located in Council Districts B, H and I and Super Neighborhoods 63 (Second Ward), 64 (Greater Eastwood), 82 (Magnolia Park), 88 (Lawndale/Wayside). The Zone is predominately located within the Greater East End Management District, as shown in Figure 3, which was created by the 76th Texas State Legislature in 1999 to facilitate economic development and revitalization in the area.

Figure 1 - TIRZ #23 Boundary
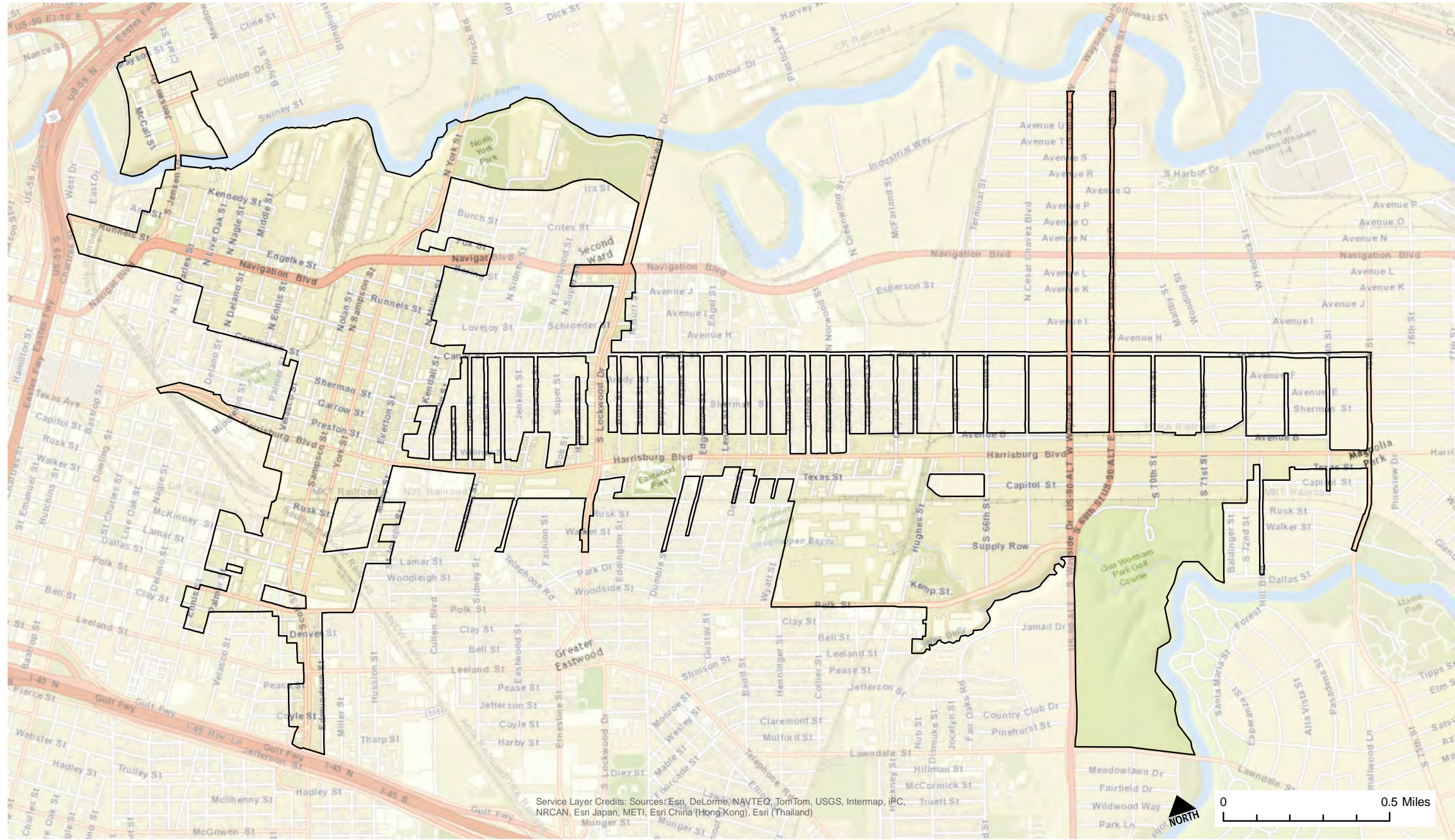
Figure 2 - Super Neighborhoods
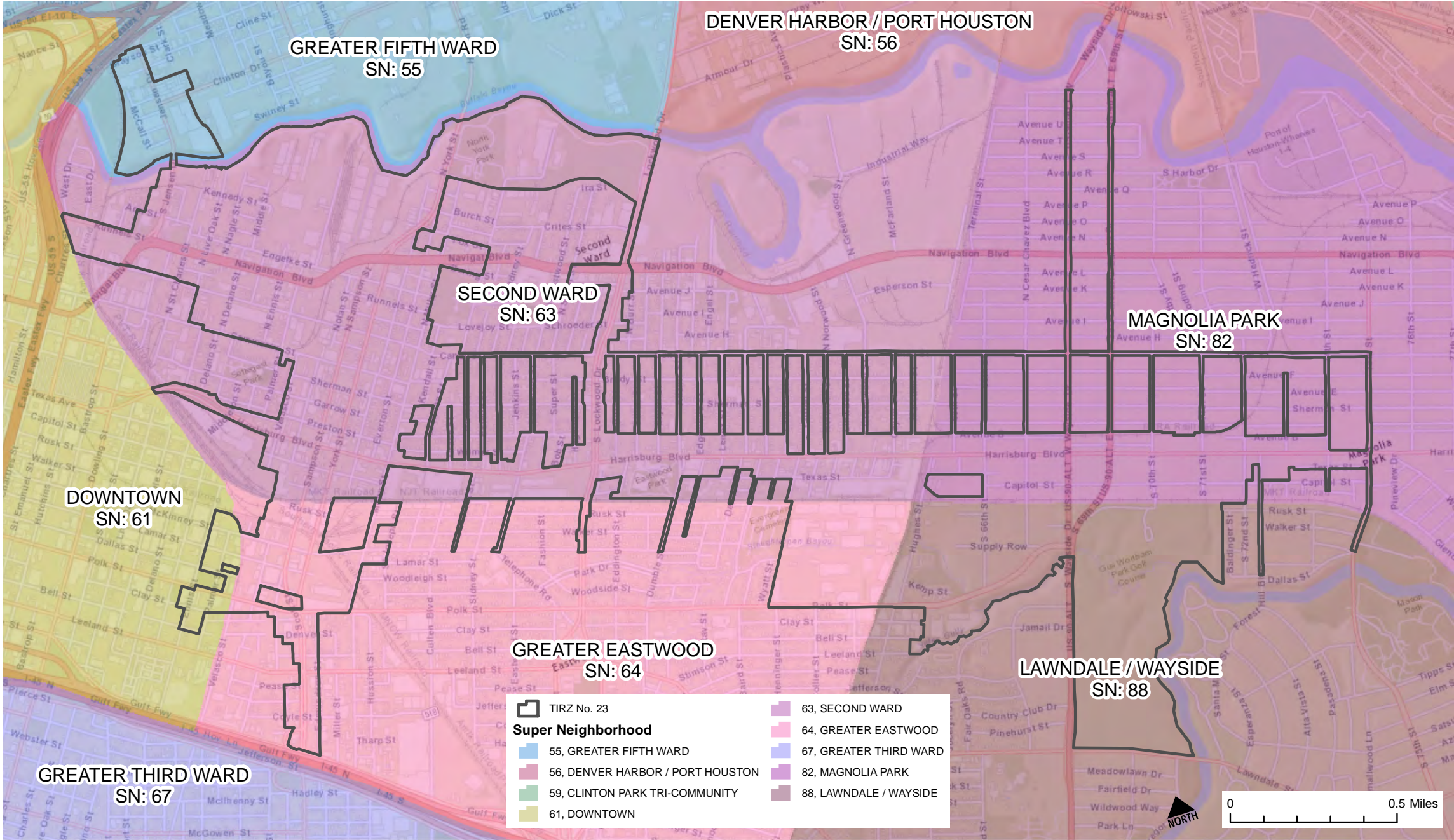
Figure 3 - TIRZ #23/Management District Boundary

Management District
- East Downtown
- Greater East End
- Greater Northside
- Greater Southeast
- Houston Downtown
- TIRZ 23, HARRISBURG
- Highway / Tollway
- Other Road / Street
- Major Road / Street

Data Source: HCAD, City of Houston 2014
HHC LLP | 4/1/2016

0   0.5 Miles

NORTH

Figure 4 - Subdivisions

Data Source: HCAD, City of Houston 2014
HHC LLP | 3/8/2016

0   0.5 Miles

Legend:
- TIRZ 23, HARRISBURG
- Subdivision
- Highway / Tollway
- Other Road / Street
- Major Road / Street

NORTH

Figure 5 - Council Districts

Figure 6 - Civic Associations

Kennedy Place Resident Council

Japhet Civic Association

Navigation Dist Neighborhood Council

East End Civic Club

Second Ward Residence Association

Greater Magnolia/Pineview Civic

The Greater Magnolia/

Neighborhood Civic Club of Third Ward

Houston Country Club Place Civic Club

Upper Third Ward Civic Club

East End Progress Association

Idylwood Civic Club, Inc.

TIRZ No. 23

NORTH

0   0.5 Miles

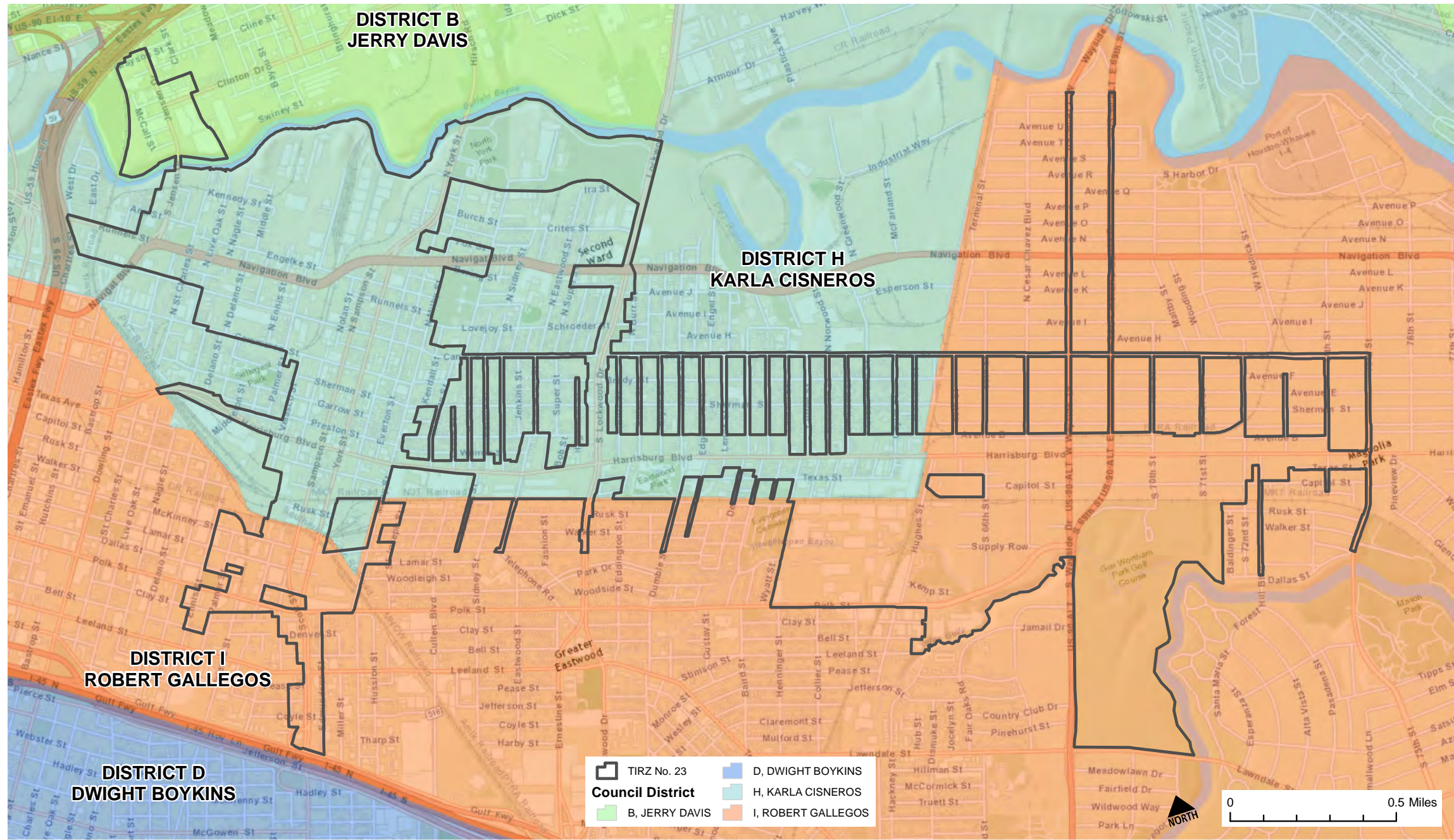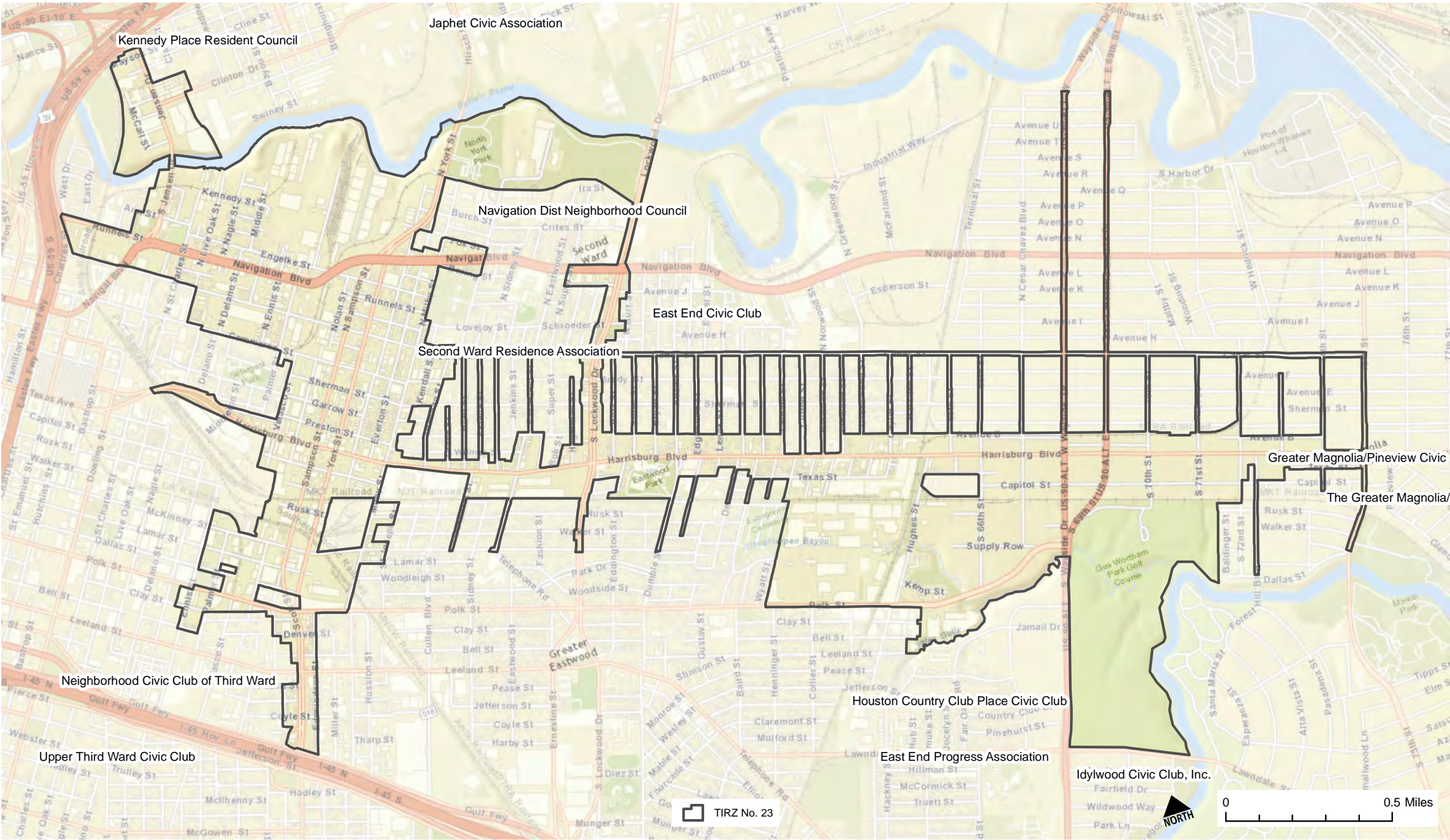## Existing Plans and Studies

The following is a list of plans and studies, completed by the City of Houston and other entities that affect the area.

Plan Houston - Plan Houston is Houston's first General Plan. The Plan describes a vision for Houston's future and identifies policies, plans, and programs that represent the City's long-term priorities for achieving the vision. As part of this process, twelve core strategies were developed that represent priorities the City should pursue to achieve the community's vision and goals.

Houston Bike Plan – The City of Houston is currently updating the City's Comprehensive Bikeway Plan, which was originally adopted in 1993. The Plan will clarify a vision and goals for biking in Houston and identify future projects to create a citywide bicycle network. The plan proposes a network that will serve a broader spectrum of people who bike at all skill levels, providing more transportation choices, with both on-street and off-street facilities and building on current efforts such as the recent Bayou Greenways Initiative to create a well-connected citywide bicycle system. The plan is currently in the draft stages and is expected to be completed in Spring 2016.

Buffalo Bayou and Beyond – Buffalo Bayou Partnership has been actively pursuing plans and programs for a 10-mile stretch of Buffalo Bayou from Shepherd Drive to the Port of Houston Turning Basin. In 2002 The Buffalo Bayou Partnership embarked on an historic planning effort to develop Buffalo Bayou and Beyond, the organization's visionary 20-year Master Plan. The plan's goals and planning concepts balance conservation and development and create projects that serve multiple purposes including recreation, flood management and ecosystem restoration.

Parks Master Plan – The City of Houston's 2015 Parks Master Plan is an assessment of the city by individual park sector. TIRZ 23 is included in Sector 11. The Plan identifies priorities and recommendations for the area based on a needs assessment and service area analysis.

East End Livable Centers Plan – The Greater East End Livable Centers Plan was developed in 2009 as part of the Houston-Galveston Area Council's Livable Centers strategy. The Plan addresses pedestrian/transit access, land use strategies and urban form in the area roughly bounded by US 59 on the west, Harrisburg on the south, York to the east and Clinton to the north.

The Greater East End Livable Centers Master Plan was prepared in 2011. The plan addresses redevelopment of the Second Ward as well as a portion of the Fifth Ward just north of Buffalo Bayou. The Master Plan projects that the area will transition from an industrial/warehouse character to a mixed-use urban neighborhood with denser housing types served by retail and commercial uses. The Plan identifies Navigation Boulevard as a "main street" that would include destination uses including restaurants and museums. While the industrial area north of the Bayou would be a focus of office uses. The report identifies a number of recommendations necessary to redevelop the area, including infrastructure improvements to roadways and rail crossings, an urban circulator, connections to Buffalo Bayou and development guidelines and incentives.

The Greater East End Urban Village Development Potential Report was developed in 2012. The Plan assesses the development potential of the East End area roughly bounded by US 59 on the west, Harrisburg on the south, N Everton Street on the east, and Clinton Drive on the north. The plan identifies goals and a vision for the area, assesses existing conditions, develops a general development plan, identifies standards for the area including recommending the creation of a special purpose urban district and recommends pilot projects. Pilot projects include a Residential TND, to include 300-350 units of housing, an Urban Village Mixed-use Center, with residential and retail uses and the York Rail Transit Station TOD with residential and commercial uses.

East End Mobility Study was developed in 2012 to look at mobility improvements within the area bounded to the north by I-10, to the west by US 59, to the south by I-45 and to the east by Lockwood Drive. The study assessed conditions under two development scenarios and identified improvement opportunities related to roadways, transit, pedestrian and bicycle, wayfinding and development.

Redeveloping the East End (Catalysts for Sustainable Transitions) is a report prepared by the Urban Land Institute Technical Assistance Panel in 2015. The report provides recommendations to assist cohesive redevelopment in the East End including housing for a range of incomes, growth of retail and other sectors, builds connections to Buffalo Bayou and focuses growth along transit corridors and underutilized post industrial property. The report recommends the creation of an area wide 380 agreement called the Harrisburg Living Initiative to spur initial residential development along the light rail line.

Land Use & Mobility
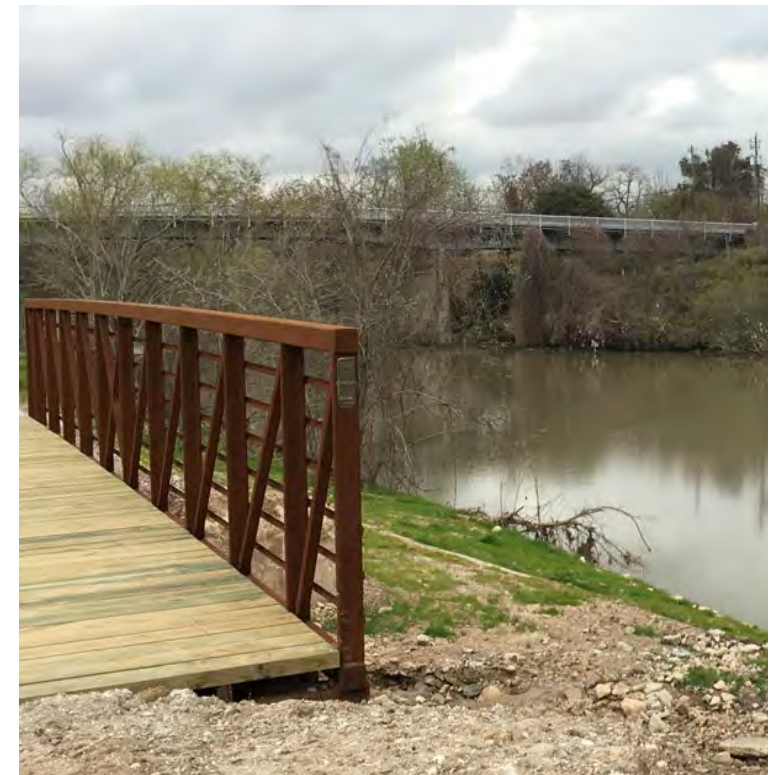
Elements of the District

In order to get a better understanding of the District, its physical layout, how it functions and what makes it unique, four features were identified as shown in Figure 7. These features include paths, edges, districts and nodes.

Paths are channels for traveling from one destination to another. Paths can include streets, transit routes, walkways, railroad tracks, and trails. Paths create the framework for the area on which all other components fit. Examples of paths in the Zone include the roadways, the Metro Rail line, Buffalo Bayou, Harrisburg Bike Trail and the Union Pacific railroad tracks.

Edges create a distinct sense of division between places. On the community wide scale edges create a physical and psychological sense of separation. Edges can be man-made such as a highway or major railroad or they can be natural areas or waterways. Examples of edges in the Zone include Buffalo Bayou and the Union Pacific Railroad tracks.

Nodes – nodes are significant destinations that regularly attract people. They typically include a focused concentration of land uses such shopping areas, major parks, educational institutions, or employers in one location. Examples of Nodes in/near the Zone include, Marron Park, Gus Wortham Park, and the Farmer's Market.

Districts are identifiable areas within the Zone. Each has a distinct character that is separate from other areas. Districts in the greater East End area were identified based on known neighborhood boundaries and include Second Ward, Eastwood, Magnolia Park, and Wayside.

Land Use/Property Classification

Land uses within the Zone consist primarily of commercial, industrial, institutional and residential uses. Additionally, there are 208 acres of parkland within the Zone. Overall the area can be characterized with commercial and industrial uses, with scattered vacant parcels and vacant/abandoned buildings, intermixed amongst of some of the oldest neighborhoods in the Houston area. Recently the area has begun to redevelop, and new development of townhomes and lofts is occurring in the areas closest to downtown.

Figure 7 - Elements of the Area

Shop

Work

Play

Learn

Districts

Second Ward

Eastwood

Magnolia Park

Wayside

Paths

Roads

Rail

Trail

Edges
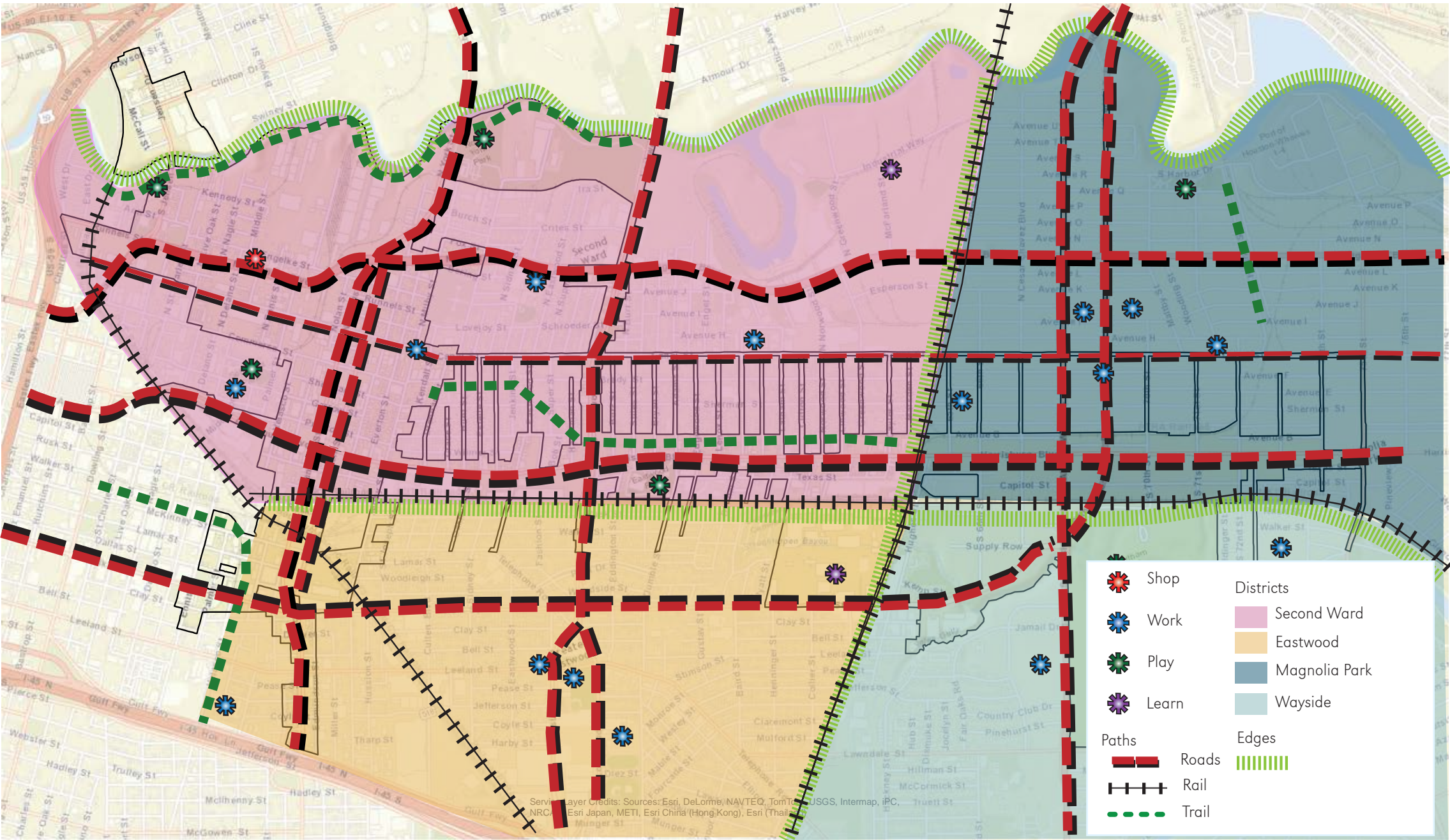
Figure 8 - Property Classification
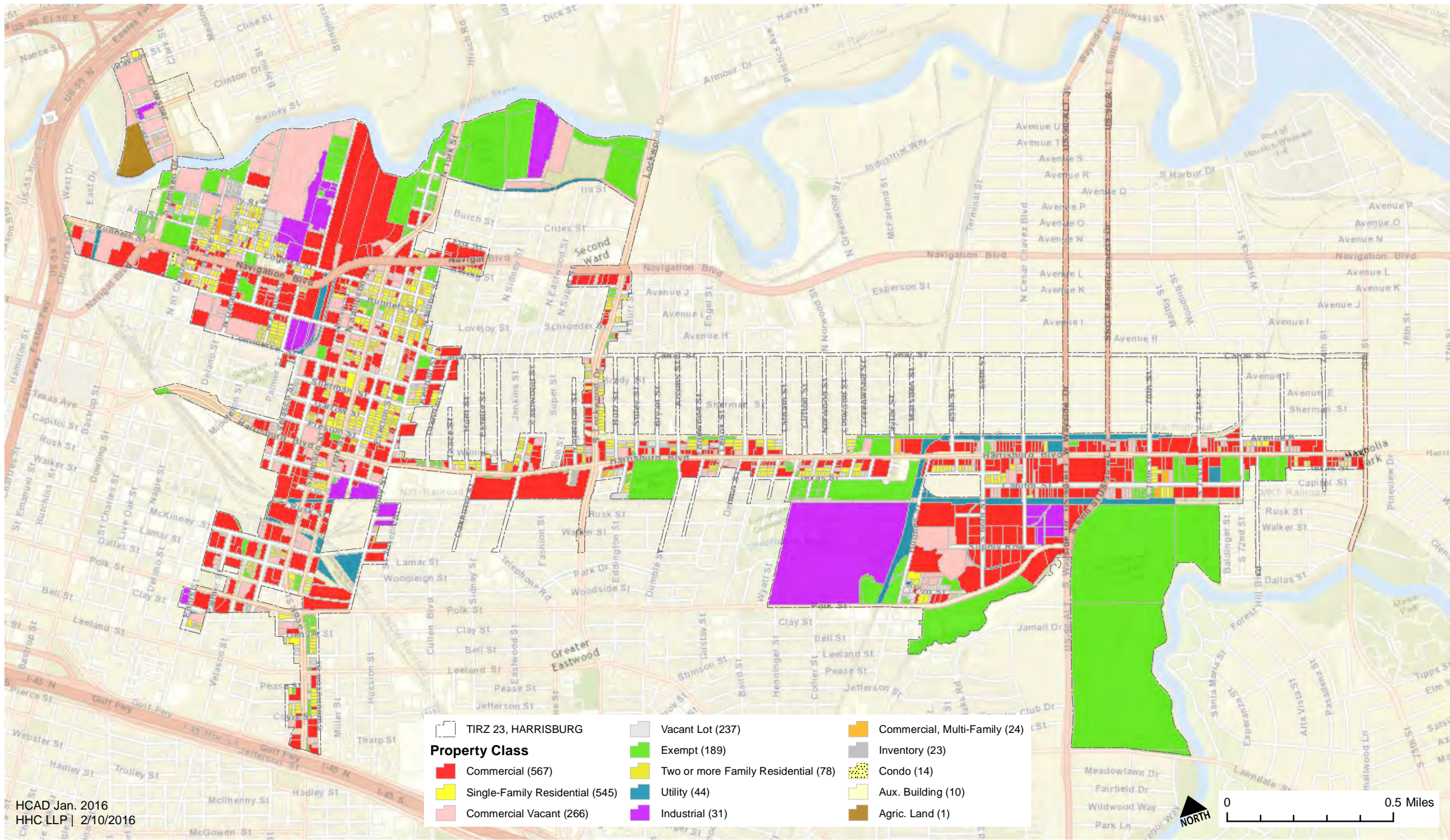
HCAD Jan. 2016
HHC LLP | 2/10/2016

Property Class

☐ TIRZ 23, HARRISBURG

- Commercial (567)
- Single-Family Residential (545)
- Commercial Vacant (266)
- Vacant Lot (237)
- Exempt (189)
- Two or more Family Residential (78)
- Utility (44)
- Industrial (31)
- Commercial, Multi-Family (24)
- Inventory (23)
- Condo (14)
- Aux. Building (10)
- Agric. Land (1)

0   0.5 Miles

NORTH

Table 1 - Property Classification, TIRZ #23

Property Classification	Acreage	Percent	Value	Percent
Agriculture Land	7.2	0.8%	$2,638,013	0.6%
Commercial	299.0	32.2%	$245,350,234	59.5%
Commercial Vacant	123.4	13.3%	$54,029,096	13.1%
Commercial, Multi-Family	4.7	0.5%	$4,369,273	1.1%
Condo	0.4	0.0%	$2,527,988	0.6%
Exempt	238.5	25.7%	$2,046,481	0.5%
Industrial	105.4	11.3%	$24,837,494	6.0%
Inventory	1.4	0.1%	$,261,892	0.3%
Single Family Residential	59.7	6.4%	$55,264,691	13.4%
Two or More Family	10.2	1.1%	$7,294,445	1.8%
Utility	58.1	6.3%	$1,465,841	0.4%
Vacant Lot	21.4	2.3%	$11,206,179	2.7%
Total	**929.3**	**100.0%**	**$412,291,627**	**100.0%**

Roadways

There are a number of roadways that make up the transportation network in the Zone. East/West roadways include Navigation Boulevard, Canal Street, Harrisburg Boulevard and Polk Street. North/South roadways include Sampson Street, York Street, Milby Street, Lockwood Drive, N. Wayside Drive, S. Sgt. Macario Garcia Drive and 75th Street. Adjacent freeways include I-45 to the south of the Zone, US 59 to the west and I-10 to the north. The City of Houston's 2015 Major Thoroughfare Plan is shown in Figure 9. The Thoroughfare Plan classifies the roadways as Highway, Transit Corridor Street, Thoroughfares and Collectors. The majority of roadways are of sufficient ROW width based on their classification, although there are some segments in the study area that have been identified on the Plan as needing to be widened to meet the required width.

Transit Corridor

- ❖ Harrisburg Boulevard
- ❖ Scott Street

Thoroughfares

- ❖ Navigation Boulevard
- ❖ Polk Street
- ❖ Lawndale Street
- ❖ Wayside Drive
- ❖ Garcia Drive
- ❖ Lockwood Drive
- ❖ York Street
- ❖ 75th Street

Collectors

- ❖ Commerce Street
- ❖ Canal Street
- ❖ Leeland Street (west of Lockwood Drive)
- ❖ Cullen Boulevard
- ❖ Sampson Street

Traffic Volumes

Figure 10 shows existing traffic volumes in the Zone and surrounding area. Some of the busiest streets in the area include Lockwood Drive, Harrisburg Boulevard, Navigation Boulevard, N. Wayside Drive, and S. Sgt. Macario Garcia Drive. Volumes along Harrisburg Boulevard range from 8,826 vehicles per day (vpd), west of Sampson Street to 16,660 vpd east of 75th Street. Volumes along Lockwood Drive range from 19,290 vpd north of the Bayou to 15,268 vpd north of Polk Street.

Neighborhoods

There are four "neighborhoods" that are partially included in the TIRZ #23 boundaries: Second Ward, Eastwood, Magnolia Park, and Wayside.

Second Ward - Located east of downtown, Second Ward was one of the first Mexican-American neighborhoods in Houston. The northern end of the community is largely industrial, with warehouse complexes along the Bayou. There are also many industrial buildings throughout the neighborhood, some of which have been recently converted into lofts, on the western edge near Downtown.

Many buildings in the community were constructed in the 1920s and bear the art deco style of architecture. While the area has been rundown and neglected over the years, recently there has been new investment in the area, including improvements to Harrisburg Boulevard, Navigation Boulevard, the East End metro rail line, and new townhome and loft development.

Eastwood - Eastwood is a historic neighborhood that was one of Houston's first master-planned subdivisions. It was designed and developed in 1911 by William A. Wilson, the first lots went on sale in June 1912 and Eastwood was officially opened in September 1913. Today the area maintains a collection of Craftsman, Arts & Crafts, Foursquare and Mission architecture. Revitalization of the area began in the late 1990s.

Magnolia Park - Magnolia Park is an area of the East End, located near the Houston Ship Channel. One of the oldest Hispanic neighborhoods in the City of Houston, Magnolia Park was formerly incorporated as the City of Magnolia Park in eastern Harris County and was annexed by the City of Houston in 1926.

Railroad

The East End area has two freight rail corridors within the area. The first is called the West Belt Subdivision, a double track mainline railroad traveling from north to southeast through the study area. This subdivision is owned and operated by the Union Pacific (UP) Railroad. The second corridor is the Galveston, Harrisburg and Houston (GH & H) line. This corridor roughly parallels Harrisburg Boulevard.

Bikeways

As shown in Figure 11, there are several existing Bike Routes in the Zone and surrounding areas, making it an attractive area for bicyclists. There are also two Rails to Trails projects in the area. Currently, bike routes within the zone consist of Bike Lanes, Shared Use Paths and Signed Bike Routes.

Bicycle Lane or Bike Lane - A portion of a roadway which has been designated by striping, signing and pavement markings for the preferential or exclusive use of bicycles.

- ❖ Polk Street
- ❖ N. Sampson Street
- ❖ Cullen Boulevard

Signed Shared Roadway (Signed Bike Route) - A shared roadway which has been designated by signing as a preferred route for bicycle use.

- ❖ Navigation Boulevard
- ❖ Sampson Street
- ❖ York Street
- ❖ Commerce Street

Shared Use Path - A bikeway physically separated from motorized vehicular traffic by an open space or barrier and either within the highway right-of-way or within an independent right-of-way. Shared use paths may also be used by pedestrians, skaters, wheelchair users, joggers, and other non-motorized users.

- ❖ Harrisburg and Sunset Bike Trail (Rails to Trails)
- ❖ Columbia Tap (Rails to Trails)
- ❖ Buffalo Bayou Trails

The City of Houston is currently updating the City's Comprehensive Bikeway Plan, originally adopted in 1993. The Plan will clarify a vision and goals for biking in Houston and identify future projects to create a citywide bicycle network. This improved citywide network will serve a broader spectrum of people who bike at all skill levels, providing more transportation choices, with both on-street and off-street facilities and building on current efforts such as the recent Bayou Greenways Initiative to create a well-connected citywide bicycle system. The Plan will develop better connections for more people to key origins and destinations like job centers, entertainment venues, parks and schools. The Plan will identify supporting programs like motorist and bicyclist safety education, expansion of end of trip facilities like bike racks and bike share, and improved integration with transit. The Plan will also look at best practices in bicycle facility maintenance, bike program funding, and bicyclist and driver enforcement. The Houston Bike Plan is being developed in phases targeting completion in Spring 2016.

Rails to Trails

Rails to Trails is a program that transforms unused rail corridors into trails and usable public spaces. There are two Rails to Trails projects in the East End.

The Harrisburg-Sunset Trail is a rails-to-trails project offering bicyclists and pedestrians over 5 miles of trail and on-street bikeways.

The 10-foot asphalt trail is lighted and runs from Drennan to Marsden and from Avenue H to Hidalgo Park. The on-street portion of the trail includes segments from Commerce and McKee, to Commerce and Drennan, and from Garrow and Marsden to Avenue H and West Hendrick.

The trail connects to the existing on-street bikeways at McKee, Sampson, York, and 67th Street.

The Columbia Tap Trail is a 4-mile rail-trail connecting parts of southeastern Houston with offices, a convention center and a ballpark near downtown.

Completed in 2009, the trail follows the old Columbia Tap railroad route from Dixie Street in the south, passes through the campus of Texas Southern University, runs by churches and schools in the Third Ward and ends in a warehouse district on St. Charles Street, just blocks from Minute Maid Park, where the Houston Astros play.

The 10-foot-wide, paved trail is lined with native trees, is lighted for nighttime use and has many benches along its route, creating an inviting greenway through the neighborhood.

Figure 9 - City of Houston Major Thoroughfare Plan
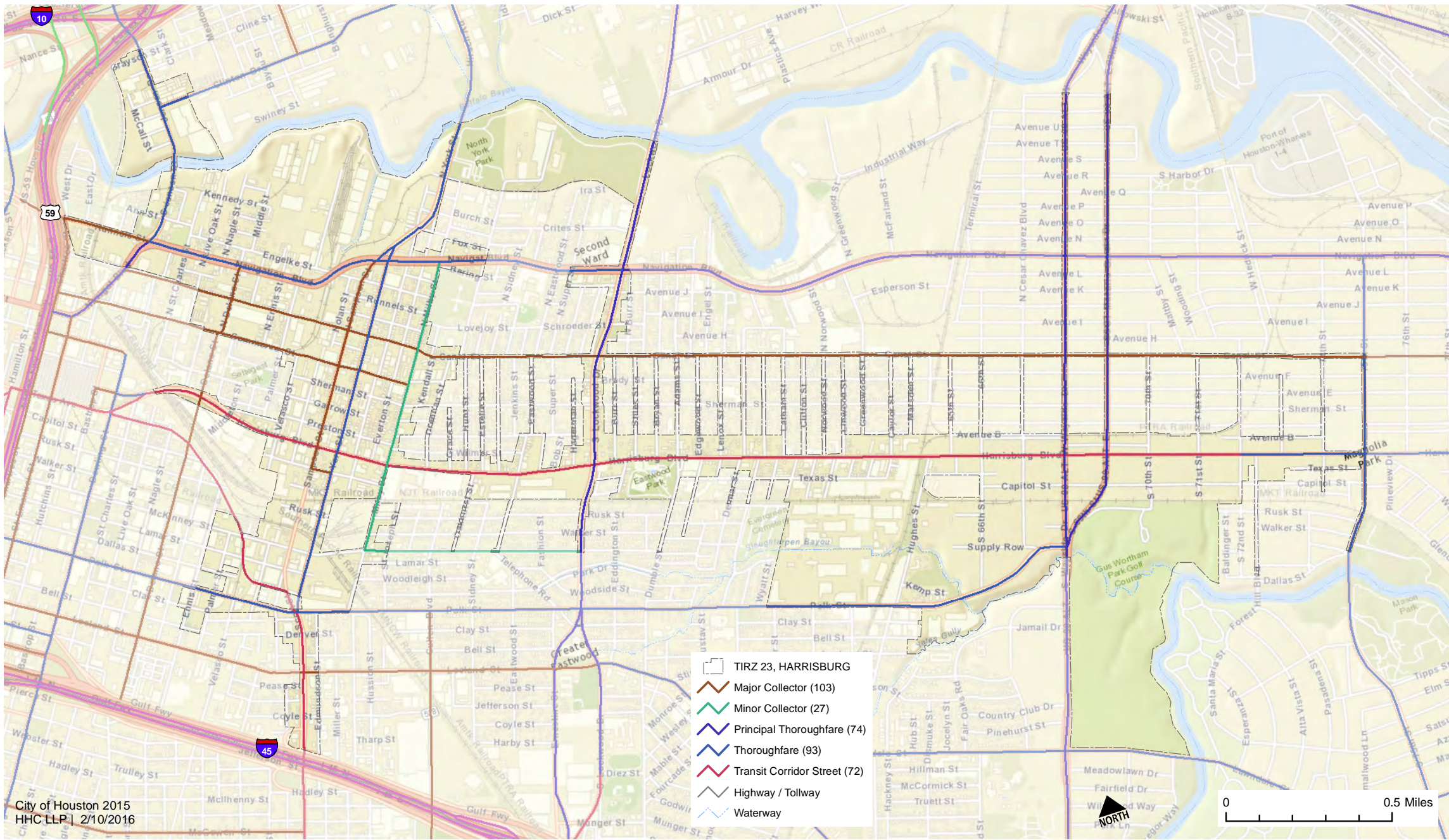
Figure 10 - Traffic Volumes

Average Daily Traffic Volume

- ▲ Up to 6,000 vehicles per day (169)
- ▲ 6,001 - 15,000 (34)
- ▲ 15,001 - 30,000 (18)
- ▲ 30,001 - 50,000 (2)
- ▲ 50,001 - 100,000 (0)
- ▲ 100,001 - 268,000 (5)
- ▢ TIRZ 23, HARRISBURG
- ⟋ Highway / Tollway

2015 Market Planning Solutions, Inc.
HHC LLP | 2/10/2016

0   0.5 Miles

19

Figure 11 - Bikeways and Trails

TIRZ 23, HARRISBURG

Bikeway

— Bike Lane (66)
— Shared-Use Paths (47)
— Signed Bike Route (243)
— Signed Shared Roadway (5)
- - Future Shared-Use Paths (6)
- - Future On-Street (67)

City of Houston, 2015
HHC LLP | 2/10/2016

0   0.5 Miles
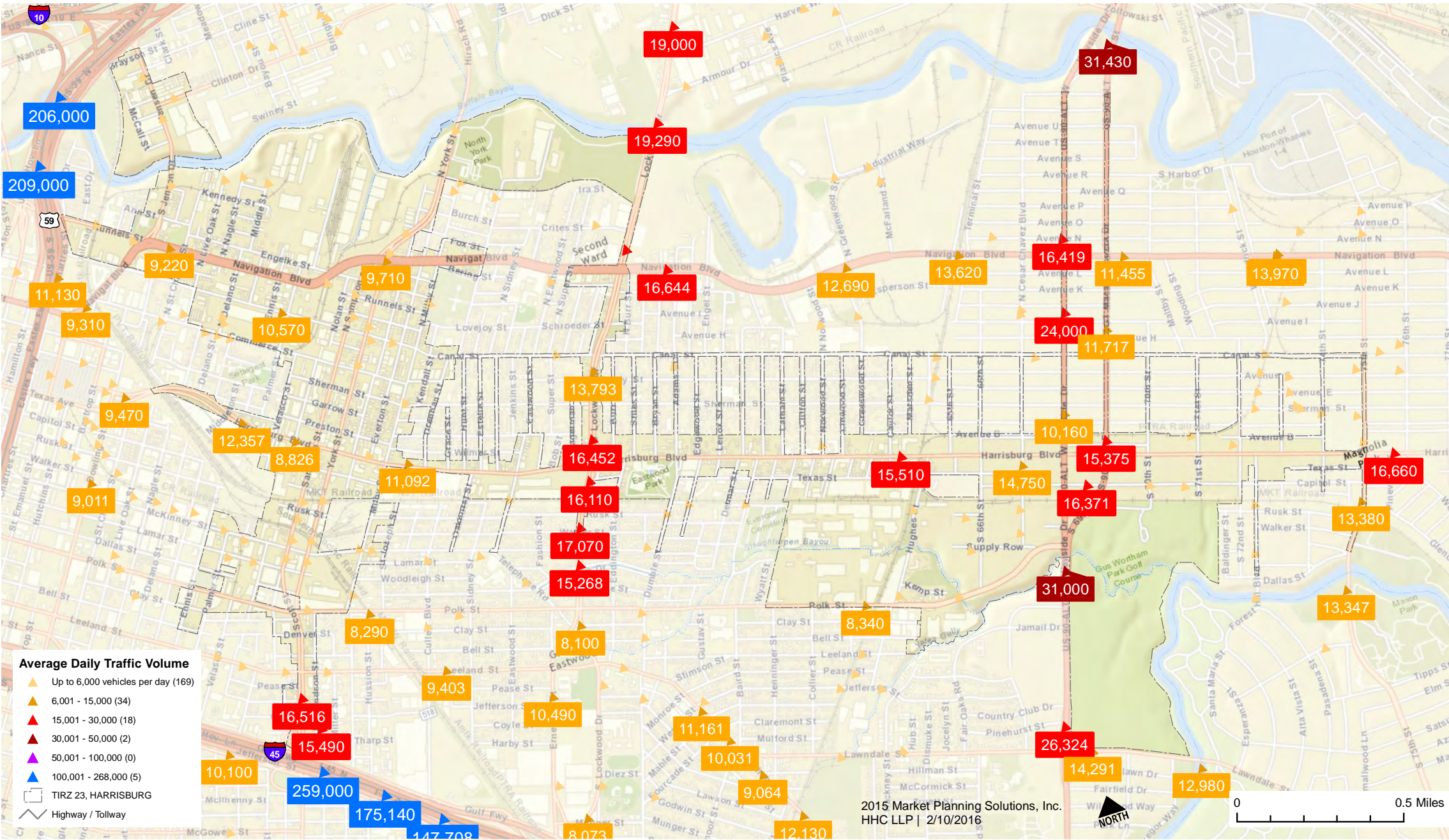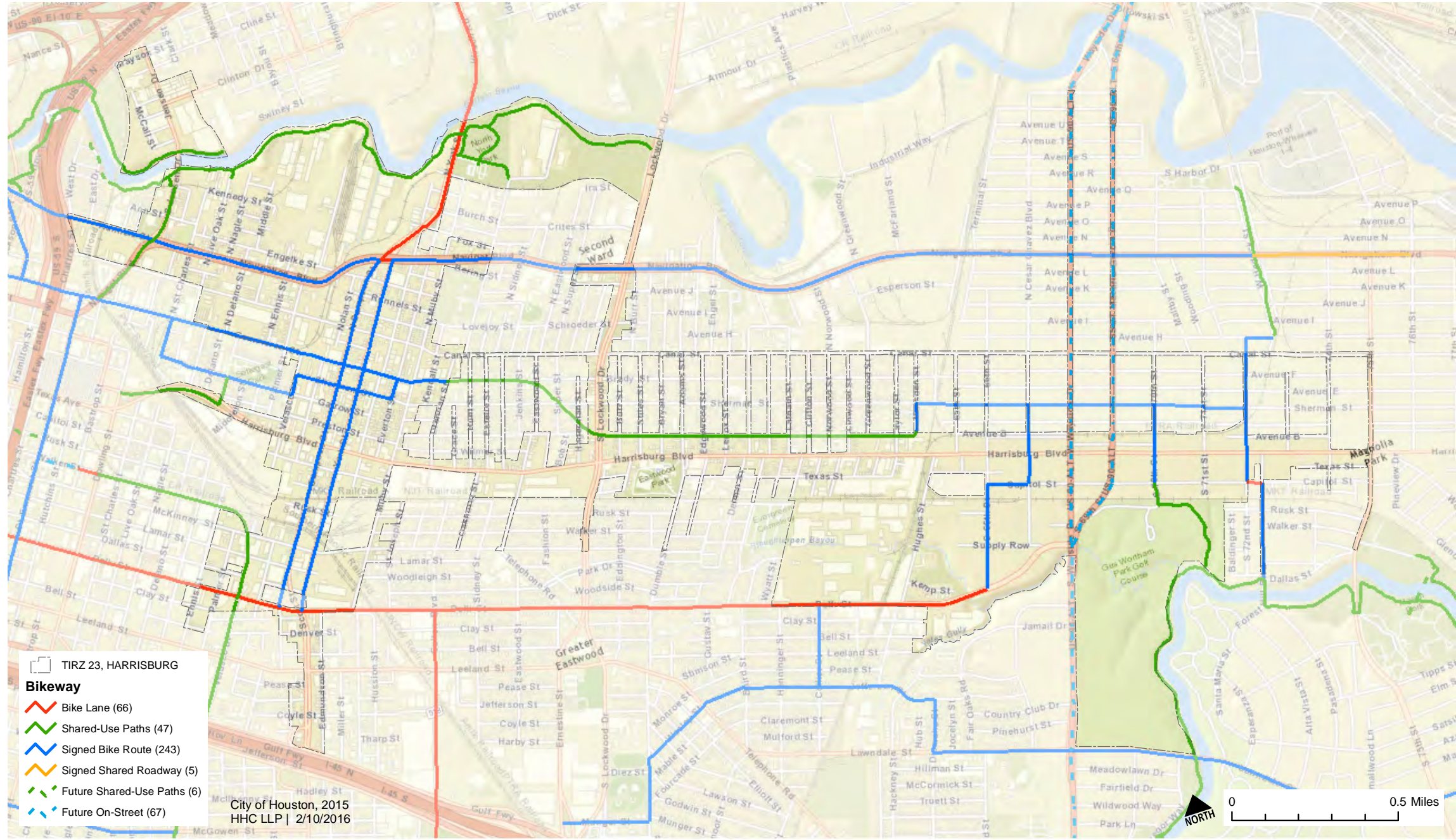
NORTH

Parks & Trails

Figure 12 shows existing parks and trails in the TIRZ and adjacent area. As shown there are 208 acres of parkland within the TIRZ boundary and an additional 109 acres in the surrounding areas.

Table 2 - Parks

Park	Type	Acreage
Completely in TIRZ		
Fox Park	Neighborhood	0.3
Eastwood Park	Neighborhood/Community Center	10.25
Taub Park (Future)	Neighborhood	3
Garver Park (Future)	Neighborhood	1.95
Gus Wortham Park	Regional	161
Tony Marron Park	Community	31.2
Adjacent to or Partially in TIRZ		
Mason Park	Community/Community Center	102.2
Guadalupe Plaza	Neighborhood	6.9

PARKS MASTER PLAN

The City of Houston released the 2015 Parks Master Plan which is the result of a two year assessment of the city by individual Park Sector developed through the Parks and Open Space Ordinance. The Ordinance divides the City of Houston into 21 Park Sectors. The 21 Park Sectors were reviewed and assessed separately to create individual Park Sector plans. TIRZ 23 falls within Sector 11, which is bounded by I-10 to the north, US 59 to the west, I-45 to the south and 610 to the east. A summary of the findings from the plan for Sector 11 are identified below:

❖ Parks that have the highest need for redevelopment in Sector 11 include the following:
  ★ Gregg Street Park
  ★ Japonica Park
  ★ Pleasanton Manor Park
  ★ Ingrando Park
❖ 4 additional acres of Parkland are needed in Sector 11.
❖ The park service areas and opportunities map shows a high need for parks in the northeast quadrant of the sector.
❖ Schools not participating in the SPARK School Program should be explored as potential future partnerships for park space.
❖ Over 73 percent of the population in this Park Sector has incomes to be considered low to moderate and therefore pursing Community Development Block Grants (CDBG) for park improvements should be a priority.
❖ The sector is deficient in trails and volleyball courts. However, Bayou Greenways 2020 will fill key gaps along Brays Bayou.
❖ Top recreational needs identified by residents include, hike, bike and walk trails, open space and natural areas, and dog parks.

BAYOU GREENWAYS 2020

Bayou Greenways 2020 is a City of Houston project that will significantly expand and enhance Houston's parks system, creating a continuous system within the city limits of 150 miles of parks and trails along Houston's bayous. Bayou Greenways 2020, which is part of the larger, overarching Bayou Greenways initiative, is estimated at $215 million and is being funded through a unique public-private partnership. In the November 2012 election, Houston voters overwhelmingly approved a major bond referendum providing $166 million in parks funding, $100 million of which is dedicated to Bayou Greenways 2020. The bond passed with 68% of the votes – the most positive referendum in the city's history. Over the next 7 years, Bayou Greenways 2020 will unite nine bayous that flow through the city with parks and trails.

Reimagine Metro

The System Reimagining Plan is METRO's new transit plan that was approved by the METRO Board of Directors on February 11, 2015. Initial implementation of the System Reimagining Plan occurred on August 16, 2015 as METRO's New Bus Network. The new transit system for the Houston region is designed to let more people get to more places, more quickly, more of the time. The new network is designed to be simpler and faster, provide more frequent service, better service on weekends, and more ways to get where you're going. The plan includes a Frequent Network, which connects a million residents and a million jobs, service runs every 15 minutes on this network. The routes in the proposed network run all weekend, just as frequently as the weekday midday. The proposed network also reduces the number of street level freight rail crossings by 30% each day.

As shown in Figure 13, the Zone is well served by Metro bus service as well as Metro Rail. With regards to Metro Rail, The Green Line, runs through the East End along Harrisburg Boulevard. Currently there are six stations that run from the Theatre District Station in the north to Altic/Howard Hughs Station in the south. The Green Line will go to the Magnolia Park Transit Center once the Harrisburg Bridge is completed. The Purple line runs southeast from the Theater District to the Palm Center Transit Center.

Figure 12 - Parks

City of Houston, 2015
HHC LLP | 2/10/2016

TIRZ 23, HARRISBURG
○ sPark Park
■ City Park

Figure 13- Metro Transit

TIRZ 23, HARRISBURG
- Bus Stop (313)
- **TC** Transit Center (2)

Bus Route
- Blue (7)
- Green (3)
- Red (6)
- Park and Ride (10)

Metro Rail 2015
- Green Line
- Purple Line
- Green / Purple Line

Red - Frequent all day service (Goal every 15 minutes or less)
Green - Less frequent all day service (31 plus minutes all day)
Blue - Frequent Peak service, less frequent non-peak service
(15 minute peak, 30 minutes or less non peak)

Houston Metro, 2015
HHC LLP | 2/10/2016

0   0.5 Miles

NORTH
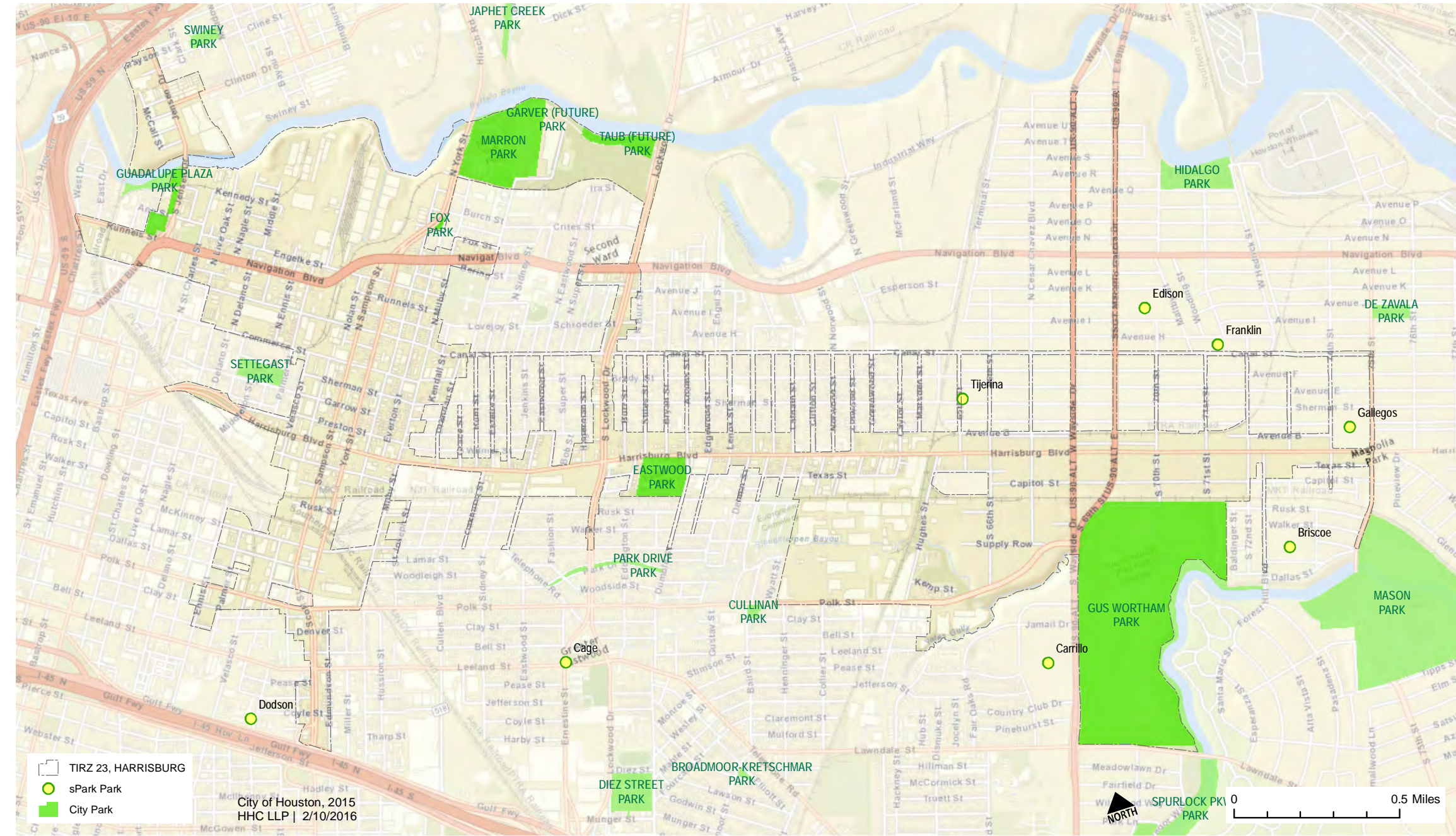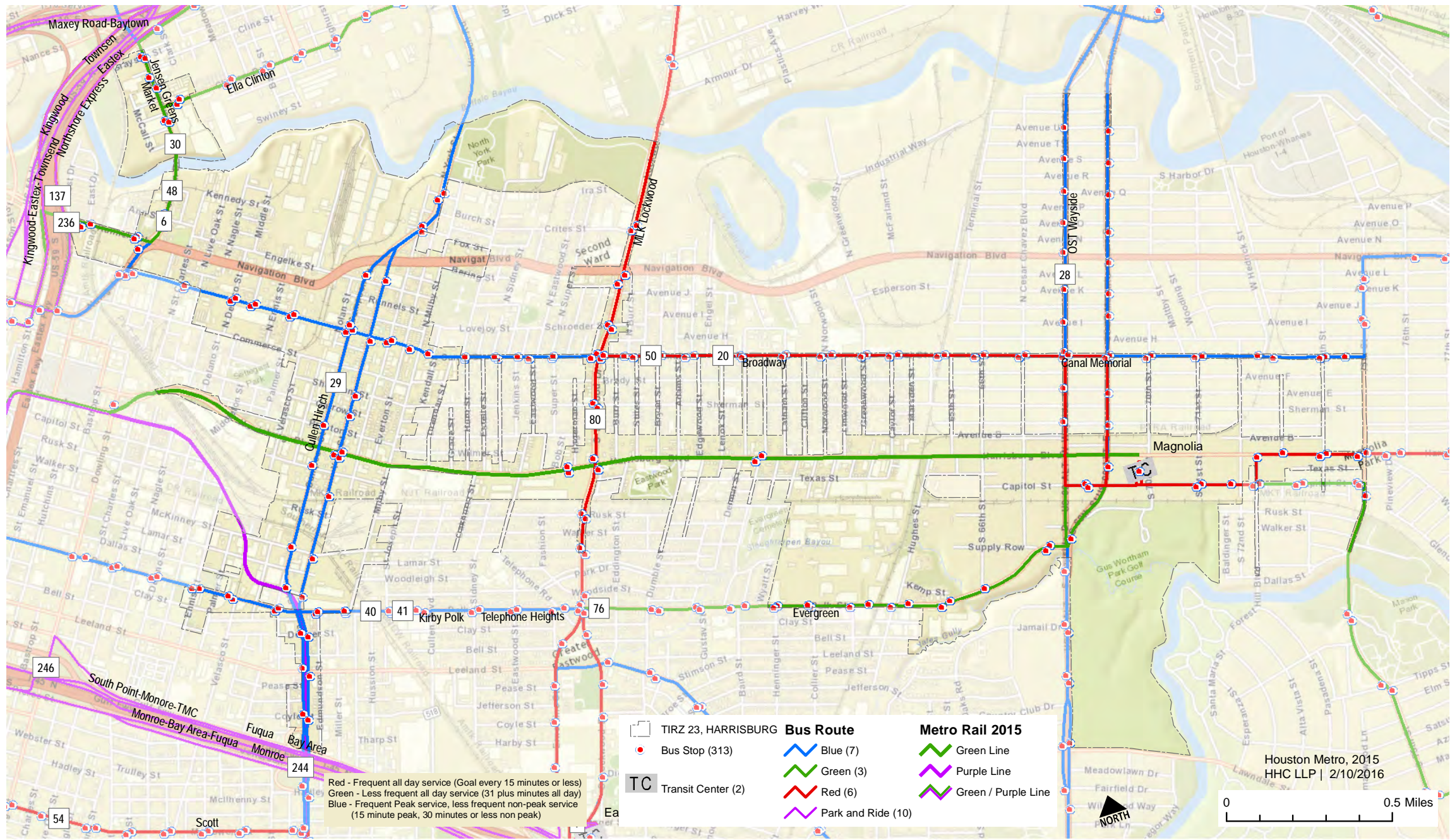
Population

To get a better understanding of the area including its demographic makeup, a Study Area boundary was created around the TIRZ that reflects "the immediate area of potential impact" as shown in Figure 15.

The Study Area area includes portions of four neighborhoods, Second Ward, Eastwood, Magnolia Park and Wayside. In 2015, the area had a population of 36,539 people in 12,011 households. **On average households in the Study Area are larger than the greater Houston area.** The average person per household is 2.97 compared to 2.64 in Houston. The majority of households, 65.1 percent consist of families and 38.5 percent of all households have children. The area has a higher than average number of multi-generational households (a family that consists of three or more generations), which is attributed to a householder's parents or in-laws and/or grandchildren living with them. Generally, families are younger, the median age is 32.2 and 55.1 percent of the population is under the age of 35.

Table 3 - Population

Year	Population	Households	Average HH Size	Families
2000	39,746	11,020	3.52	
2010	34,750	11,348	2.99	7383
2015	36,539	12,011	2.97	7,710
2020	38,971	12,874	2.96	8,199

(Table header spanning: TIRZ # 23 Study Area)

36,539 People

12,011 Households (HH)

7,710 Families

2.97 Persons Per HH

38.5 % of HH have Children

9.7 % of HH are Multi-generational

RACE

With regards to race, 58.9 percent of the study area's population identified themselves as white, and 8.5 percent as black. **The majority of the population, 82.8 percent, are of Hispanic Origin.**

17%

83%

Non-Hispanic Origin   Hispanic Origin
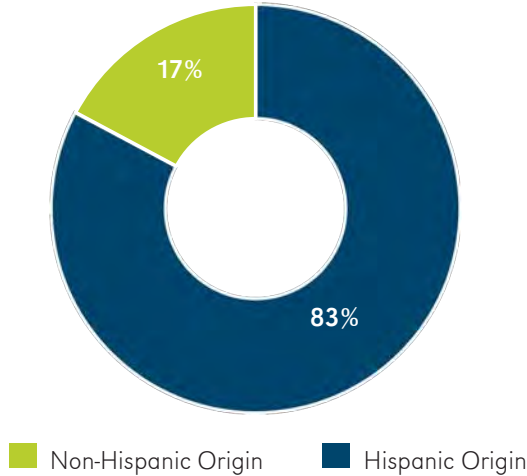
INCOME

Households have a lower household income than the Houston area. The area has a median household income of $27,800, which is 36.7 percent less than the Houston average of $43,945. 73.9 percent of households in the study area make less than $50,000 per year.

Table 4- Income 2015

	Study Area	Houston
Median Household Income (2015)	$27,800	$43,945
Per Capita Income	$13,839	$26,194
Average Household Income	$40,629	$69,713

EDUCATION & EMPLOYMENT

The study area has a lower percentage of high school graduates than the Houston average, and a lower percentage of individuals graduating with a bachelor's or graduate degree. However the area has a higher percentage of individuals with a GED. 17.2 percent of the population 25 years and over are high school graduates, 12.8 percent have a bachelor's or graduate degree. **Residents in the area are evenly employed within Blue Collar and White Collar occupations.** Of the employed population 16 years and up, 39.6 percent are employed in white collar occupations, while 39.3 percent are employed in blue collar occupations. Approximately 21.1 percent are employed in the service occupations.

17.2% of people 25+ years are High School Graduates

12.8% of people 25+ years have a Bachelors/Graduate Degree

39.6% employed in White Collar Occupations

39.3% employed in Blue Collar Occupations

Figure 14- Households by Income, 2015
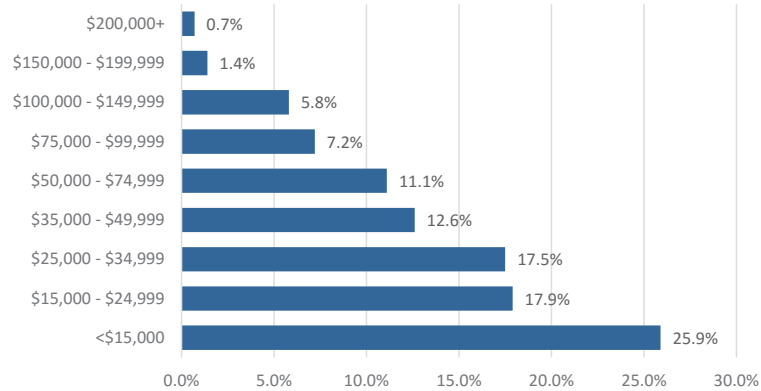
JOURNEY TO WORK

As shown in Table 5 , the study area, has a higher percentage of workers using public transit and a lower percentage of workers driving alone, when compared to the greater Houston area. Of those workers 16+ years of age, 73 percent drove along to work while 15 percent carpooled and 5.4 percent used public transportation.

Table 5 - Workers by Means of Transportation to Work

|	Study Area	Houston
Total	100.0%	100.0%
Drove alone	72.9%	75.7%
Carpooled	14.8%	12.3%
Public transportation	5.4%	4.3%
Taxicab	0.0%	0.1%
Motorcycle	0.1%	0.1%
Bicycle	1.1%	0.5%
Walked	2.9%	2.1%
Other means	1.2%	1.6%
Worked at home	1.5%	3.3%

Segmentation

ESRI's Tapestry Segmentation classifies US residential neighborhoods into 67 unique segments based on demographic and socioeconomic characteristics. This allows for a better understanding of a households lifestyle, habits, interests, spending patterns and skill sets.

The study area primarily consists of the following Tapestry Segments:

Southwestern Families (42.8%) are young Hispanic families. Children are at the center of these families and they usually consist of married couples with kids, or single parent households with kids. Average households size is 3.17. Over 40 percent of householders rent single family homes typically in older neighborhoods. Median household income is $27,000. While close to 30 percent have attended or graduated from college, over 40 percent did not complete high school, which has limited their employment prospects. Over 35 percent of households receive contributions from Social Security.

Median Age 33.8

Median Household Income: $27,000

Median Net Worth: $14,000

Typical Housing: Single Family

Average Value: $92,000

Barrios Urbanos (17.5%) are typically Hispanic families with children, often with multiple generations living under the same roof. Average household size is higher at 3.59.   Most workers are employed in skilled positions across the manufacturing, construction or retail trade sectors. The majority have finished high school, and have an average household income of $36,000. One in four households lives below poverty level. Most households live in single-family homes that are owner occupied.

Median Age 28.3

Median Household Income: $36,000

Median Net Worth: $22,000

Typical Housing: Single Family

Median Value: $92,000

Metro Fusion (10.0%) is a young, diverse market, with 30% black, 34% Hispanic, and 20% foreign born. Many residents do not speak English fluently and have moved into their homes recently. They are highly mobile and over three quarters of households are occupied by renters. Many households have young children; a quarter are single-parent families. The majority of residents live in midsize apartment buildings. Metro Fusion is a hard-working market with residents that are dedicated to climbing the ladders of their professional and social lives. Social status is very important to them and they look to impress with fashion and electronics

Median Age 28.8

Median Household Income: $33,000

Median Net Worth: $12,000

Typical Housing: Multi-Unit Rentals

Average Rent: $880

NewWest Residents (8.8%) are young Hispanics, with families. They are new to America and the English language. More than half of the households have children, many with children less than 5 years old. The men typically work blue collar jobs, while the woman stay home. Median Household income is $28,000. The majority rent apartments in older buildings.

Median Age 27.0

Median Household Income: $28,000

Median Net Worth: $11,000

Typical Housing: Multi-Unit Rentals

Average Rent: $870

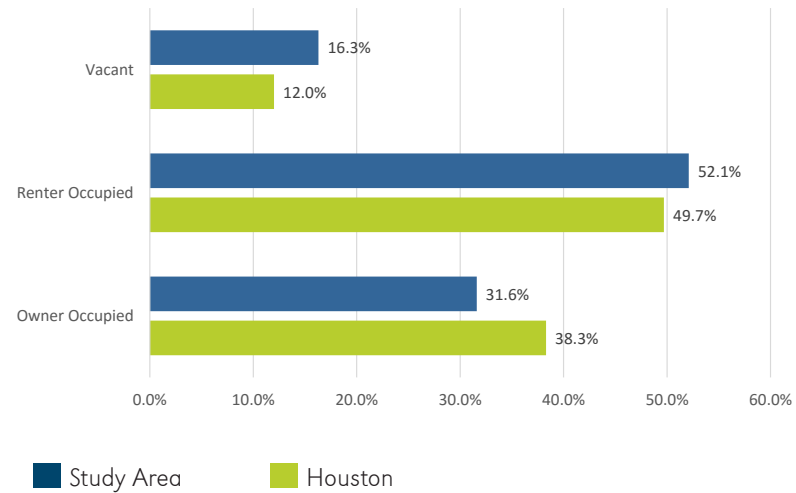Figure 15 - TIRZ #23 Study Area Boundary
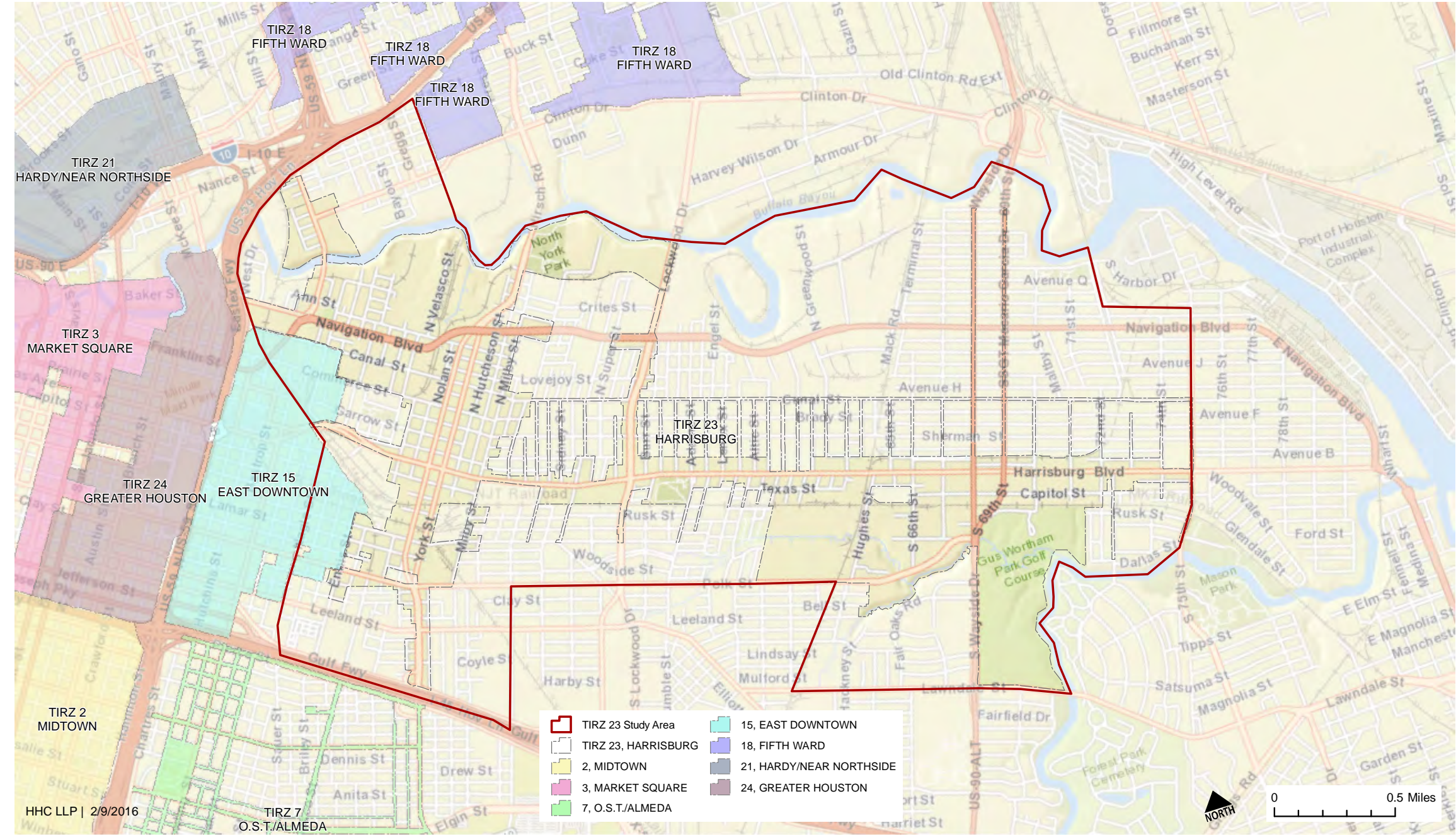
Housing Stock

There are an estimated 14,352 housing units (single family and multi-family) in the area, with a vacancy rate of 16.3 percent. The majority of units, 52.1percent, are renter occupied, while 36.1 percent are owner occupied. The housing stock type, age and conditions vary throughout the area with the areas closest to downtown experiencing new development of apartments, townhomes and condos. The Eastwood area consists of older homes of architectural variety and for the most part have been well maintained. North of Harrisburg Boulevard, in the Second Ward and Magnolia Park areas housing primarily consists of shotgun style homes, many of which are in poor condition.

Table 6 - Housing Units

	Study Area	Houston
2000	12,159	790,594
2010	13,572	892,646
2015	14,352	939,298
2020	15,294	999,913

Figure 16 - Owner Occupied/Renter Occupied Units, 2015

Vacant: Study Area 16.3%, Houston 12.0%
Renter Occupied: Study Area 52.1%, Houston 49.7%
Owner Occupied: Study Area 31.6%, Houston 38.3%

Legend: Study Area | Houston

Age

The majority of the housing stock in the area is older and was built pre 1960, with over 75 percent of the housing units built before 1980. New housing development began to occur in 1990s and 2000s in the areas closest to downtown.

Built 1939 or earlier — 25%
Built 1940 to 1949 — 18%
Built 1950 to 1959 — 11%
Built 1960 to 1969 — 14%
Built 1970 to 1979 — 7%
Built 1980 to 1989 — 2%
Built 1990 to 1999 — 6%
Built 2000 to 2009 — 15%
Built 2010 or later — 1%
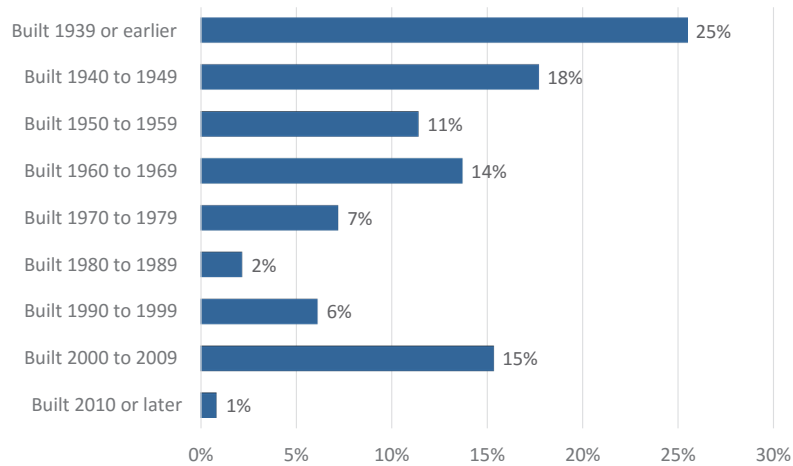
Source: 2009-2013 ACS

Housing Types

Housing types vary throughout the area and include single family homes, townhomes, duplexes and apartments. The majority of the housing stock consists of single family detached homes. Townhomes comprise approximately 7.3 percent of the housing stock, while multi-family units comprise 21.5 percent.

Table 7 - Housing Types

TIRZ #23 Area	
Housing Type	Percent
Single Family Detached	55.1%
Single Family Attached (Townhome)	7.3%
Duplex	7.8%
Tri plex/Quad plex	7.8%
Multi-Family (Small)	13.8%
Multi-Family (Large)	7.7%
Mobile home	0.4%
Boat, RV, van, etc.	0.2%

Source: 2009-2013 ACS

Figure 17 - Median Year Structure Built

Legend:
2000 to 2003
1981 to 1999
1959 to 1980
1950 to 1958
1939 to 1949
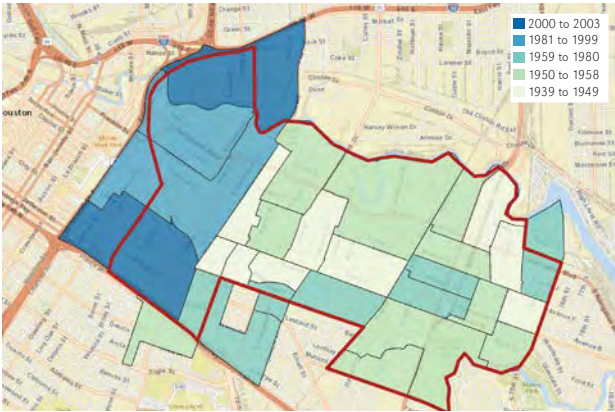
Figure 18 - Housing Built 2000 to 2009

Legend:
52.49% to 64.75%
40.82% to 52.48%
22.6% to 40.81%
7.04% to 22.59%
0% to 7.03%
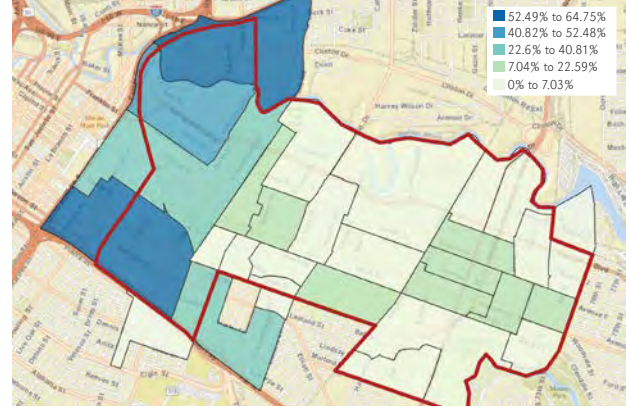
Figure 19 - Housing Built 2010 or Later

Legend:
8.21% to 10.21%
4.99% to 8.2%
2.9% to 4.98%
1.01% to 2.89%
0% to 1%

Figure 20 - Year of Residential Improvement

Year Improved
- 🟥 1895 - 1923 (267)
- 🟧 1924 - 1933 (1,772)
- 🟨 1934 - 1943 (2,602)
- 🟩 1944 - 1962 (679)
- 🟩 1963 - 1990 (74)
- 🟩 1991 - 2015 (1,531)
- ⬜ Year Impr. Unknown (34)
- TIRZ 23 Study Area
- Highway / Tollway
- Local Road / Street
- Major Road / Street
- Waterway

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0   0.5 Miles
NORTH

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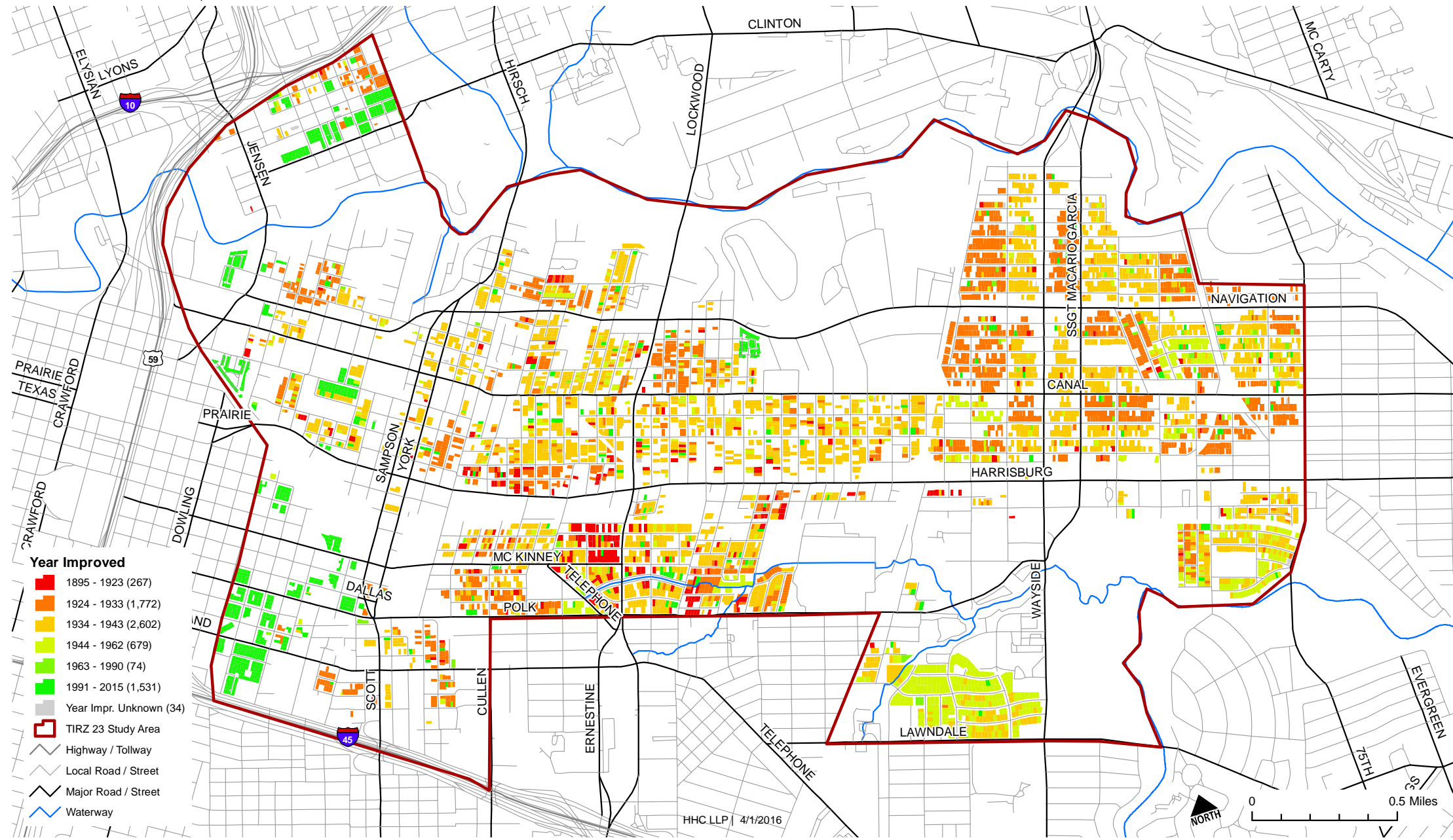
ESRI's Crime data Index represents a series of standardized indexes based on a national average of 100. A crime index of 120 indicates that the propensity for a crime in the area is 20 percent above the national average. The index looks at Total Crime, Personal Crime, Murder, Rape, Robbery, Assault, Property Crime, Burglary, Larceny, and Motor Vehicle Theft. As shown in Figures 21 to 23 many areas within the District have a higher crime index than the national average.

Figure 22 - 2014 Crime - Motor Vehicle Theft Index

410 to 538
331 to 409
241 to 330
99 to 240
23 to 98

Figure 21 - 2014 Total Crime Index

375 to 492
297 to 374
217 to 296
88 to 216
27 to 87

Figure 23 - 2014 Crime - Robbery Index

646 to 791
474 to 645
301 to 473
137 to 300
35 to 136

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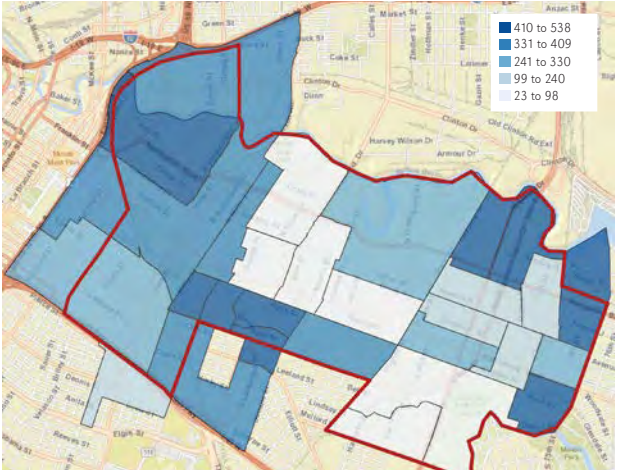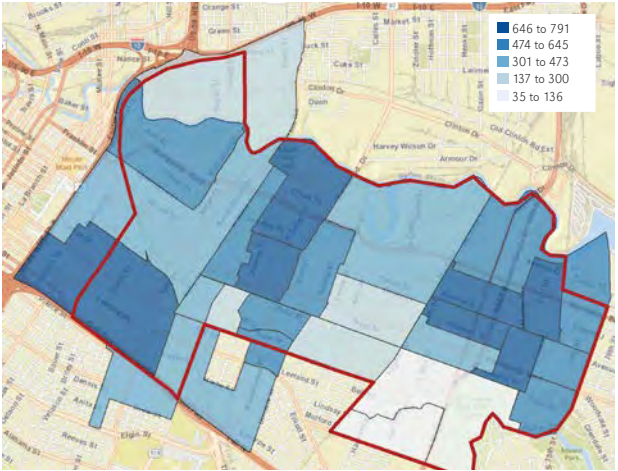## Business Summary

There are over 1,400 businesses in the study area that employ over 18,000 individuals. The largest employers are concentrated in the Manufacturing, Wholesale Trade, and Retail Trade industries.

The area has a strong presence of industrial businesses including wholesale trade and manufacturing due to the presence of rail and close proximity to the Port of Houston. Many of these businesses are located throughout the area and intermixed with residential uses. There is a large concentration of industrial businesses located to the north of the study area along the Bayou.

Some of the largest employers in the area include Corporate Brand Foods America, Baker Hughes, Maximus Coffee Group, Oak Farms Dairy and Vallourec Drilling Products.

The majority of businesses, 77 percent, are small businesses with fewer than 10 employees.
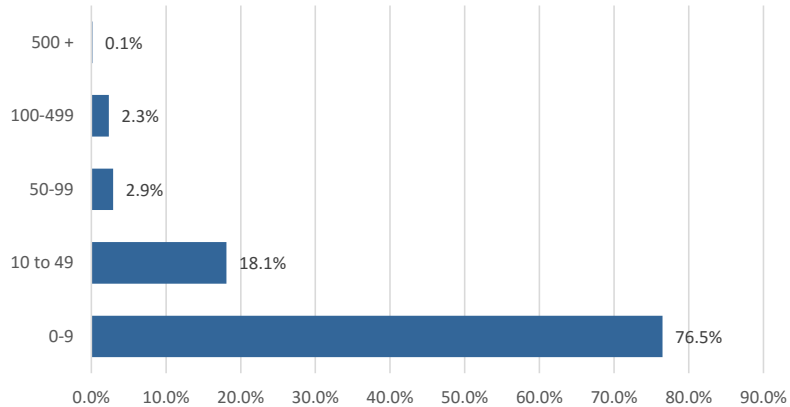
Figure 24 - Businesses by Employee Size

Employee Size	Percent
500 +	0.1%
100-499	2.3%
50-99	2.9%
10 to 49	18.1%
0-9	76.5%

Table 8 - Business Summary

	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	2	0.1%	174	0.9%
Mining	4	0.3%	55	0.3%
Utilities	1	0.1%	9	0.0%
Construction	59	4.2%	394	2.2%
Manufacturing	106	7.5%	4,376	23.9%
Wholesale Trade	98	7.0%	2,745	15.0%
Retail Trade	281	20.0%	1,990	10.9%
Transportation & Warehousing	47	3.3%	794	4.3%
Information	26	1.9%	125	0.7%
Finance & Insurance	118	8.4%	335	1.8%
Real Estate, Rental & Leasing	43	3.1%	241	1.3%
Professional, Scientific & Tech Services	79	5.6%	776	4.2%
Management of Companies & Enterprises	0	0.0%	0	0.0%
Administrative & Support & Waste Management & Remediation Services	36	2.6%	566	3.1%
Educational Services	28	2.0%	1,194	6.5%
Health Care & Social Assistance	71	5.1%	750	4.1%
Arts, Entertainment & Recreation	20	1.4%	86	0.5%
Accommodation & Food Services	102	7.3%	1,235	6.7%
Other Services (except Public Administration)	193	13.7%	921	5.0%
Public Administration	30	2.1%	1,337	7.3%
Unclassified Establishments	60	4.3%	220	1.2%
Total	**1,404**	**100.0%**	**18,323**	**100.0%**

Table 9 - Major Employers

Business	Employees
Corporate Brand Foods America	1200
Baker Hughes	691
Maximus Coffee Group	350
Harris County Detective Bureau	303
Oak Farms Dairy	300
Vallourec Drilling Products	300
Service Corp Intl	300
Freedman Meats Inc	250
General Plastics & Composites	200
Dan-loc Bolt & Gasket	200
Continental Silverline	200
Farmer Brothers Foodservice	200
Fiesta Mart	200
Houston Rapid Transit Jv	200
Harris County Constable's Ofc	200
Texas Commission On Environ	200
Department State Health Svc	200
Spencer Co	165
General Truck Body Mfg Co	160
Fedex Freight	150
Pappasito's Cantina	128
Villa De Matel Convent	125
Rex Supply Co	121
Fortune Rags	120

Figure 25 - Total Businesses by Block Group, 2015

Legend:
- 263 to 335
- 152 to 262
- 83 to 151
- 38 to 82
- 6 to 37
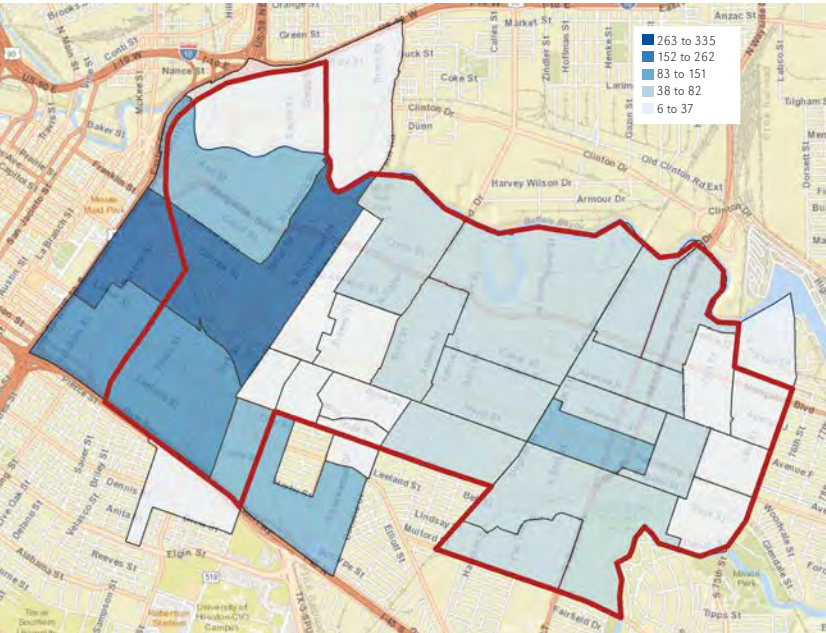
Figure 27 - Total Sales by Block Group, 2015

Legend:
- $3,713,105 to $4,252,753
- $2,143,291 to $3,713,104
- $890,731 to $2,143,290
- $366,265 to $890,730
- $3,437 to $366,264
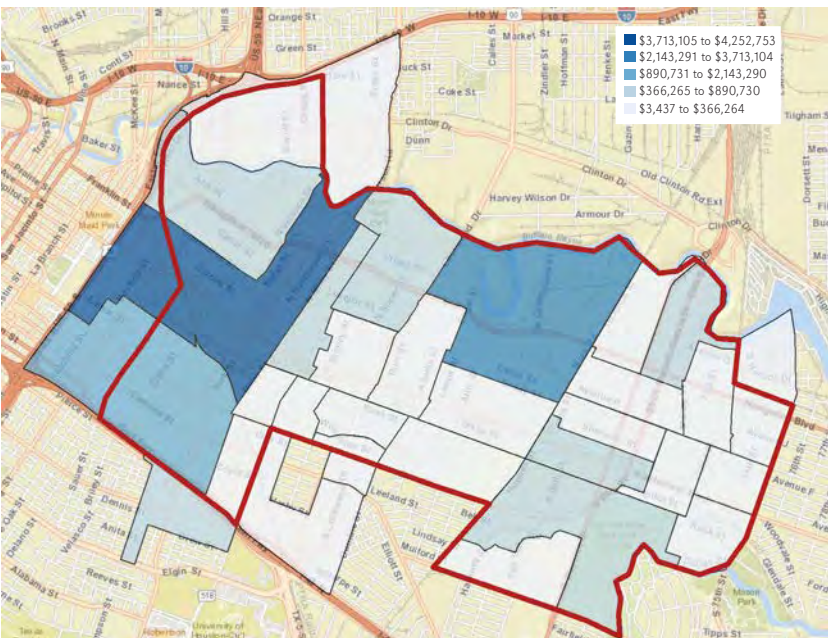
Figure 26 - Total Employees by Block Group, 2015

Legend:
- 3,930 to 5,320
- 1,679 to 3,292
- 911 to 1,678
- 457 to 910
- 39 to 456
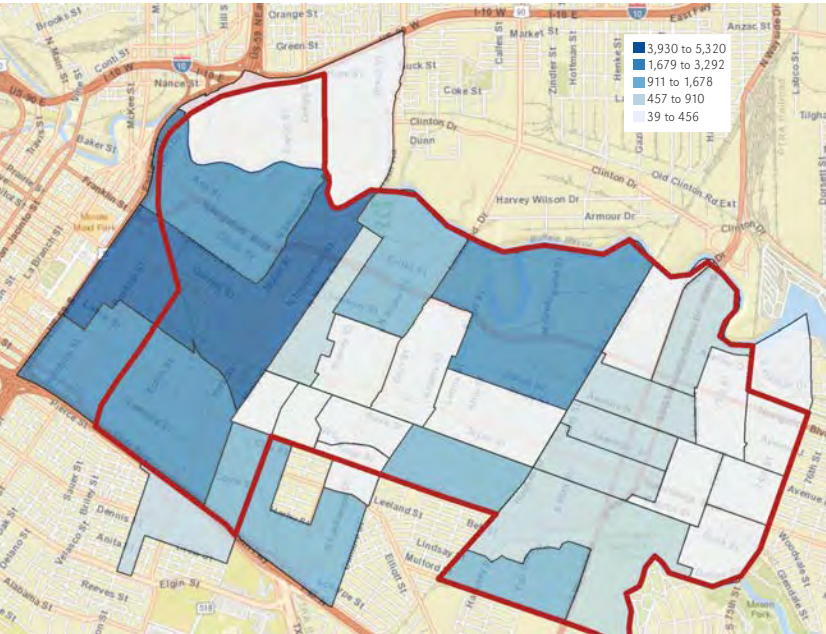
Retail Trade

Businesses in the Retail Trade industry account for 20 percent of total businesses in the area, and 11 percent of total employees. The majority of retail trade businesses include Motor Vehicle and Parts Dealers and Food and Beverage Stores. Retail trade businesses are primarily concentrated along major corridors in the area, including Navigation Boulevard, Canal Street and Harrisburg Boulevard.

RETAIL MARKET PLACE

Esri's Retail MarketPlace data compares retail sales and consumer spending by industry and measures the gap between supply and demand.

This data provides a glimpse into the amount of retail potential that "leaks" into other communities, as well as market segments where the study area takes in more than its share.

Leakage in an area represents a condition where demand exceeds supply. In other words, retailers outside the market area are fulfilling the demand for retail products; therefore, demand is "leaking" out of the trade area. Such a condition highlights an opportunity for new retailers to enter the trade area or for existing retailers to extend their marketing outreach to accommodate the excess demand.

Surplus in an area represents a condition where supply exceeds the area's demand. Retailers are attracting shoppers that reside outside the trade area.

Figure 28 - Leakage/Surplus Factor
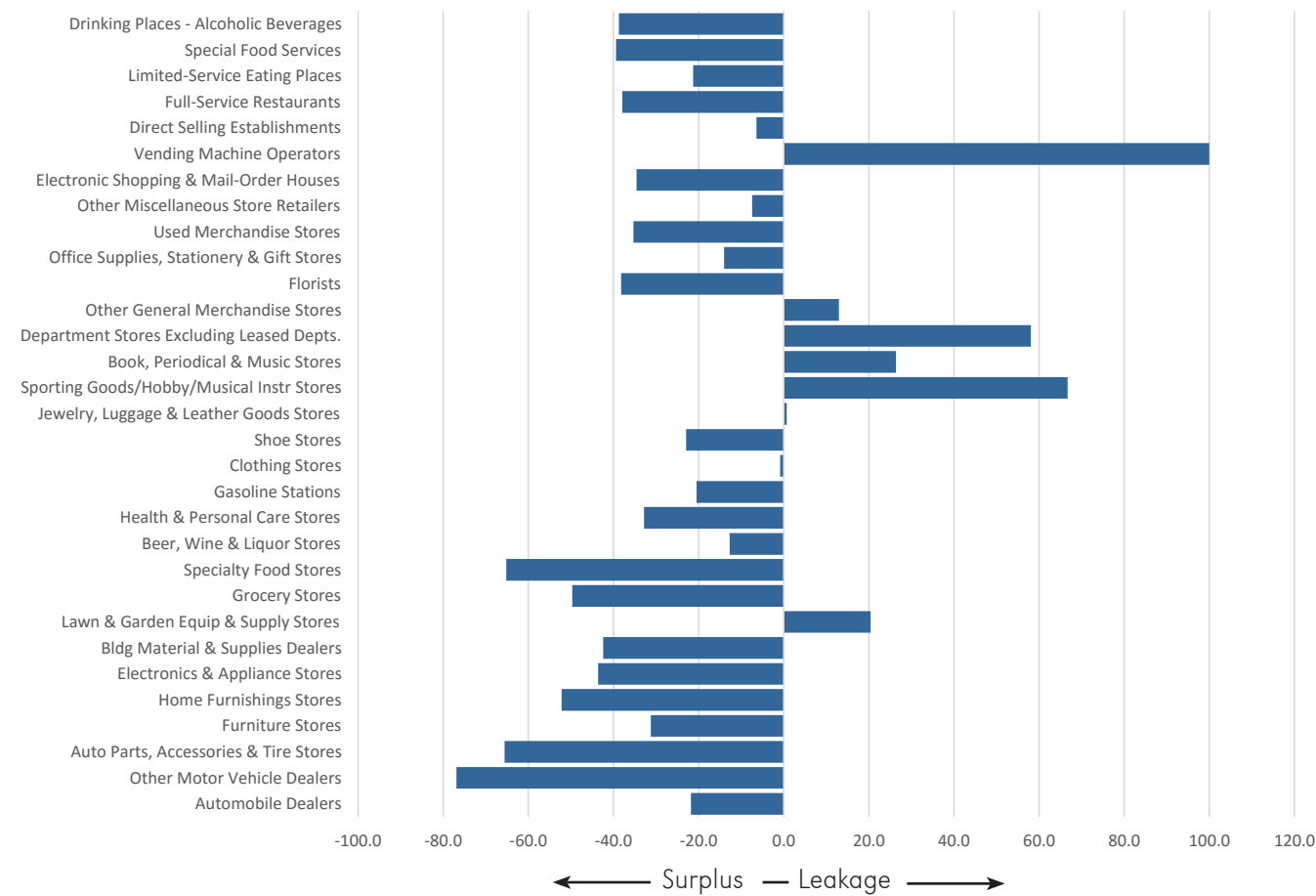
Table 10 - Leakage/Surplus Factor

Industry Summary	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	$271,093,629	$503,738,365	-$232,644,736	-30.0	372
Total Retail Trade	$244,283,146	$451,725,271	-$207,442,125	-29.8	278
Total Food & Drink	$26,810,483	$52,013,094	-$25,202,611	-32.0	94

Table 11- Leakage/Surplus Factor

Industry	NAICS	"Demand (Retail Potential)"	"Supply (Retail Sales)"	Retail Gap	"Leakage/ Surplus Factor"	Number of Businesses	"Leakage Per HH 2015"	Capture Rate
Automobile Dealers	4411	$45,894,512	$71,496,009	-$25,601,497	-21.8	44	-$2,131.50	155.8%
Other Motor Vehicle Dealers	4412	$5,610,257	$43,047,235	-$37,436,978	-76.9	5	-$3,116.89	767.3%
Auto Parts, Accessories & Tire Stores	4413	$3,799,636	$18,271,007	-$14,471,371	-65.6	17	-$1,204.84	480.9%
Furniture Stores	4421	$4,546,636	$8,666,171	-$4,119,535	-31.2	5	-$342.98	190.6%
Home Furnishings Stores	4422	$2,285,118	$7,266,401	-$4,981,283	-52.2	2	-$414.73	318.0%
Electronics & Appliance Stores	443	$11,668,143	$29,702,267	-$18,034,124	-43.6	14	-$1,501.47	254.6%
Bldg Material & Supplies Dealers	4441	$9,390,320	$23,237,377	-$13,847,057	-42.4	15	-$1,152.86	247.5%
Lawn & Garden Equip & Supply Stores	**4442**	**$903,031**	**$596,919**	**$306,112**	**20.4**	**2**	**$25.49**	**66.1%**
Grocery Stores	4451	$41,504,645	$123,627,577	-$82,122,932	-49.7	34	-$6,837.31	297.9%
Specialty Food Stores	4452	$2,946,793	$13,986,979	-$11,040,186	-65.2	21	-$919.17	474.7%
Beer, Wine & Liquor Stores	4453	$2,124,578	$2,744,369	-$619,791	-12.7	5	-$51.60	129.2%
Health & Personal Care Stores	446,4461	$13,053,639	$25,777,816	-$12,724,177	-32.8	20	-$1,059.38	197.5%
Gasoline Stations	447,4471	$17,912,596	$27,159,354	-$9,246,758	-20.5	16	-$769.86	151.6%
Clothing Stores	4481	$7,409,834	$7,532,833	-$122,999	-0.8	9	-$10.24	101.7%
Shoe Stores	4482	$1,373,042	$2,190,208	-$817,166	-22.9	4	-$68.03	159.5%
Jewelry, Luggage & Leather Goods Stores	**4483**	**$2,201,456**	**$2,172,463**	**$28,993**	**0.7**	**5**	**$2.41**	**98.7%**
Sporting Goods/Hobby/Musical Instr Stores	**4511**	**$5,350,398**	**$1,067,254**	**$4,283,144**	**66.7**	**2**	**$356.60**	**19.9%**
Book, Periodical & Music Stores	**4512**	**$1,502,689**	**$874,266**	**$628,423**	**26.4**	**3**	**$52.32**	**58.2%**
Department Stores Excluding Leased Depts.	**4521**	**$37,045,020**	**$9,824,204**	**$27,220,816**	**58.1**	**4**	**$2,266.32**	**26.5%**
Other General Merchandise Stores	**4529**	**$12,322,027**	**$9,484,231**	**$2,837,796**	**13.0**	**12**	**$236.27**	**77.0%**
Florists	4531	$372,603	$832,930	-$460,327	-38.2	6	-$38.33	223.5%
Office Supplies, Stationery & Gift Stores	4532	$1,858,275	$2,464,991	-$606,716	-14.0	9	-$50.51	132.6%
Used Merchandise Stores	4533	$2,022,723	$4,228,026	-$2,205,303	-35.3	7	-$183.61	209.0%
Other Miscellaneous Store Retailers	4539	$6,329,711	$7,340,319	-$1,010,608	-7.4	11	-$84.14	116.0%
Electronic Shopping & Mail-Order Houses	4541	$3,307,778	$6,800,313	-$3,492,535	-34.6	3	-$290.78	205.6%
Vending Machine Operators	**4542**	**$373,355**	**$0**	**$373,355**	**100.0**	**0**	**$31.08**	**0.0%**
Direct Selling Establishments	4543	$1,174,331	$1,333,752	-$159,421	-6.4	2	-$13.27	113.6%
Full-Service Restaurants	7221	$14,285,886	$31,697,423	-$17,411,537	-37.9	60	-$1,449.63	221.9%
Limited-Service Eating Places	7222	$11,133,731	$17,157,042	-$6,023,311	-21.3	22	-$501.48	154.1%
Special Food Services	7223	$279,742	$643,710	-$363,968	-39.4	3	-$30.30	230.1%
Drinking Places - Alcoholic Beverages	7224	$1,111,124	$2,514,919	-$1,403,795	-38.7	10	-$116.88	226.3%

A comparison of potential and actual sales in the immediate area shows that overall retail supply (sales) exceeds retail demand. However, when demand and supply is broken down by industry, there are a few industries where demand is leaking out of the area, as shown in Figure 28 and Table 11.

The "capture rate" shows the percentage of consumer expenditures for retail goods that are being captured by retailers in the area. If total sales are much lower than the area's expenditure potential, then residents are spending a large portion of their available dollars outside of the area, and the capture rate is low. If sales are closer in value to expenditure potential, then area residents are likely spending a higher proportion of their available resources within the area, and the capture rate is high. If sales exceed retail expenditure potential than the capture rate is above 100 percent and area retailers are selling to households outside the study area.

Leakage/Surplus in the District:

❖ The majority of industries show a "surplus" meaning retail sales exceed the demand potential of those households within/ adjacent to the TIRZ boundary and included in the study area.

❖ Industries where the demand is "leaking" out of the area include, Lawn and Garden Equipment and Supply Stores, Jewelry, Luggage and Leather Goods, Sporting Goods/Hobby/ Musical Instrument Stores, Book, Periodical and Music Stores, Department Stores and Other General Merchandise Stores.

❖ With regards to Food and Drink establishments there is a surplus of Full Service Restaurants, Limited Eating Service Places and Special Food Services, meaning sales are coming from households outside the district. This could be attributed to employees working in the area, passer through traffic and service to neighboring residential areas not included in the study area.

Daytime Population

Daytime population refers to the number of people who are present in an area during normal business hours, including workers. Resident population refers to people who reside in a given area and are typically present during the evening and nighttime hour. The estimated daytime population in the area is 64,239 (2013).

Census Tract	Daytime Population	Daytime Workers	Resident Population	Resident Workers
48201211400	7,644	5,311	3,690	1,357
48201310100	8,898	5,676	5,884	2,662
48201310200	5,521	5,144	1,463	1,086
48201310300	5,391	3,414	4,774	2,797
48201310600	4,852	1,258	6,025	2,431
48201310800	5,406	3,954	2,490	1,038
48201310900	7,191	3,344	5,770	1,923
48201311000	7,285	2,812	7,111	2,638
48201310500	6,763	3,847	4,856	1,940
48201310400	5,378	2,947	4,084	1,653
Total	64,329	37,707	46,147	19,525
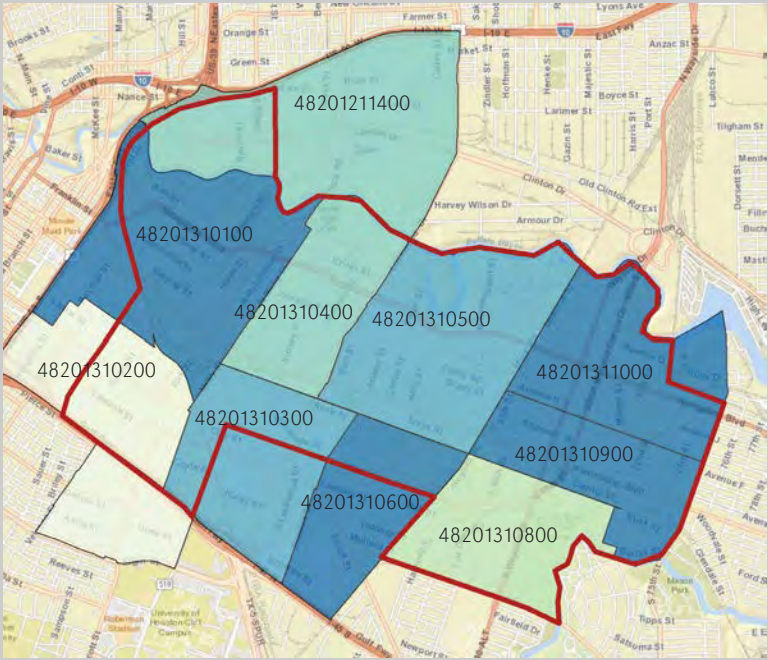
It should be noted that the Leakage/Surplus analysis is based on household demand and spending patterns of those households within the immediate area. It does not take into account the day-time population, which is estimated at 64,000. Additionally, it does not take into account the spending potential of some adjacent neighborhoods which would be serviced by those businesses.

DISPOSABLE INCOME & BUYING POWER

The average household disposable income in the area is $35,186, as shown in Table 12. Given that there are 12,011 households in the area total Disposable income equals, $422,619,046. According to the Bureau of Labor Statistics the average household spends 46 percent of their average annual expenditures on goods and services including food, alcoholic beverages, household furnishings and supplies, apparel, transportation, entertainment, and personal care products and services. Based on this, an average household in the District would spend $16,186 on retail goods and services and the **household buying power** in the area would equal $194,410,046.

2015 Household Buying Power (Food & Retail)

	Average Expenditure Per HH	$16,186
	x 2015 Households	12,011
	= Average Annual Expenditures	$194,410,046

2020 Household Buying Power (Food and Retail)

	Average Expenditure Per HH	$16,186
	x 2020 Households	12,874
	= Average Annual Expenditures	$208,378,564

Table 12 - Disposable Income, 2015

2015 Households by Disposable Income	Number	Percent
Total	12,011	
<$15,000	3,436	28.6%
$15,000-$24,999	2,547	21.2%
$25,000-$34,999	2,004	16.7%
$35,000-$49,999	1,421	11.8%
$50,000-$74,999	1,393	11.6%
$75,000-$99,999	626	5.2%
$100,000-$149,999	491	4.1%
$150,000-$199,999	43	0.4%
$200,000+	51	0.4%
Median Disposable Income	$25,080	
Average Disposable Income	$35,186	
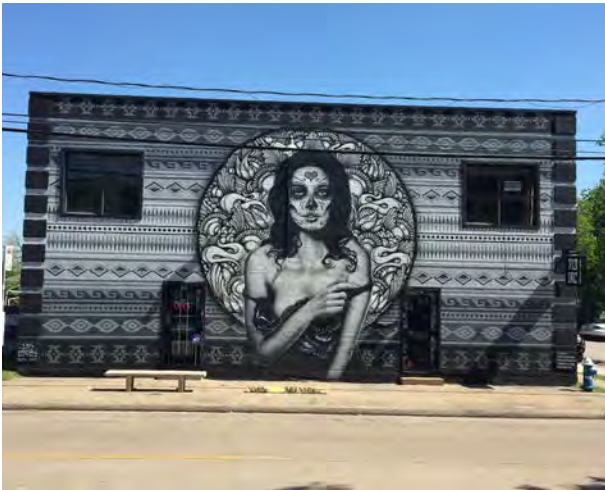
RETAIL PROFILE

Table 13- Retail Summary Statistics, TIRZ #23 Study Area

Inventory	Survey	5 Yr Av.
Existing Buildings	225	225
Existing SF	1,556,248	1,532,504
12 Month Construction Starts	-	6,080
Under Construction	-	3,040
12 Month Deliveries	-	7,093
Availability		
NNN Rent Per SF	$13.39	$12.25
Vacancy Rate	9.3%	7.8%
Vacant SF	144,326	119,671
Availability Rate	11.1%	11.2%
Available SF	173,286	171,218
Sublet SF	2228	2112
Months on Market	33.1	24.2
Demand		
12 Month Absorption SF	**(33,854)**	**(6,350)**
12 Month Leasing SF	23,388	19,677

Source: CoStar

Retail Market Trends:

- ❖ Vacancy rates have increased over the past five years.
- ❖ Absorption has been negative for three of the last five years.
- ❖ Rental rates have declined since 2011 when it was $14.86/sf, but have been increasing over the past couple of years to $13.39/sf
- ❖ The regional submarket area shows more favorable numbers than the TIRZ #23 Study Area, with higher occupancy rates, positive absorption for 3 out of the last 5 years and higher rental rates.

Table 14 - Inner Loop/East End Retail Submarket

	Submarket			TIRZ #23 Study Area		
Year	Occupancy	Net Absorption SF Total	NNN Rent Overall	Occupancy	Net Absorption SF Total	NNN Rent Overall
2016	94.80	3,839	$14.95	90.70	-7,350	$13.39
2015	94.70	183,992	$15.92	91.20	-26,504	$14.38
2014	92.80	236,067	$16.97	92.30	16,110	$13.82
2013	91.80	-47,835	$15.48	91.20	13,608	$12.95
2012	92.70	-9,275	$12.63	91.60	-25,033	$11.08
2011	92.90	37,873	$14.89	93.20	-8,529	$14.86

OFFICE PROFILE

Table 15 - Office Summary Statistics, TIRZ #23 Study Area

Inventory	Survey	5 Yr Av.
Existing Buildings	44	44
Existing SF	367,488	367,488
12 Month Construction Starts	-	
Under Construction	-	
12 Month Deliveries	-	
Availability		
Gross Rent Per SF	$20.82	$14.42
Vacancy Rate	22.3%	17.6%
Vacant SF	81,882	64,709
Availability Rate	22.3%	21.6%
Available SF	81,882	79,399
Sublet SF	0	0
Months on Market	26.7	22.3
Demand		
12 Month Absorption SF	(21,421)	1,900
12 Month Leasing SF	17,160	16,969

Source: CoStar

Office Market Trends:

❖ Vacancy rates have increased since 2013, from 9.8 percent to 22.8 percent in 2015.
❖ Absorption has been negative for two of the last five years.
❖ Rental rates have increased since 2011 from $11.35/SF to $20.75/SF in 2015.
❖ The regional submarket area shows more favorable numbers than the TIRZ #23 Study Area, with higher occupancy rates, and positive absorption for 3 out of the last 5 years. Office rental rates are currently comparable with the region.

Table 16 - Gulf Freeway Pasadena Office Submarket

	Submarket			TIRZ #23 Study Area		
Year	Occupancy	Net Absorption SF Total	Gross Rent Overall	Occupancy	Net Absorption SF Total	Gross Rent Overall
2016	88.10%	9,686	$20.70	77.70	2,000	$20.82
2015	88.00%	217,510	$19.99	77.20	-23,421	$20.75
2014	87.60%	-34,937	$19.78	83.50	34,170	$19.04
2013	89.60%	140,722	$18.41	90.20	-5,429	$14.66
2012	88.50%	12,098	$17.35	80.90	28,778	$9.34
2011	88.50%	-27,164	$17.60	82.40	2,378	$11.35

INDUSTRIAL PROFILE

Table 17 - Industrial Summary Statistics, TIRZ #23 Study Area

Inventory	Survey	5 Yr Av.
Existing Buildings	462	473
Existing SF	15,926,520	162,143,981
12 Month Construction Starts	-	9,558
Under Construction	-	7,169
12 Month Deliveries	-	11,764
Availability		
Gross Rent Per SF	$3.94	$3.94
Vacancy Rate	3.8%	6.5%
Vacant SF	597,966	1,054,088
Availability Rate	9.2%	12.6%
Available SF	1,467,920	2,042,267
Sublet SF	0	28215
Months on Market	42.3	29
Demand		
12 Month Absorption SF	281,503	(89,986)
12 Month Leasing SF	289,618	515,890

Source: CoStar

Industrial Market Trends:

❖ Vacancy rates have declined over the past five years.
❖ Absorption has been positive for the last two years.
❖ Rental rates have increased since 2011 from $3.70/SF to $3.98/SF in 2015.
❖ The TIRZ #23 Study Area compares well with the regional submarket area, with higher occupancy rates and positive absorption over the last several years.

Table 18 -Downtown Industrial Submarket

Year	Submarket			TIRZ #23 Study Area		
	Occupancy	Net Absorption SF Total	Gross Rent Overall	Occupancy	Net Absorption SF Total	Gross Rent Overall
2016	95.70%	172,214	$4.35	96.20%	135,383	$3.94
2015	95.10%	-36,593	$4.40	95.40%	146,120	$3.98
2014	95.00%	295,295	$4.26	94.10%	168,790	$4.07
2013	93.20%	-469,342	$4.26	91.80%	-294,416	$4.25
2012	94.60%	-461,240	$3.96	93.60%	-340,585	$3.84
2011	93.60%	-552,492	$3.70	93.30%	-130,139	$3.70

Planned Infrastructure Improvements

Capital Improvements

Figure 29 shows planned roadway and infrastructure improvements identified in the City of Houston's CIP.

Major roadway projects include:

Lockwood: Project provides for the design and reconstruction of a six-lane, divided, concrete roadway from Crites Street to south of Navigation Boulevard and four-lane, divided, concrete roadway from south of Navigation Boulevard to Harrisburg Boulevard and necessary utilities.

Harrisburg: Project provides for major reconstruction of existing selected railroad crossings and improvements to lighting and signal systems not included in normal street construction projects.

Rebuild Houston +5

The Rebuild Houston +5 year plan includes need areas that scored the highest in each of three categories (storm drainage, thoroughfares/collectors and local streets). These areas are put in the 6-10 year plan for pre-engineering.

There are two candidate projects within the study area:

Sampson Street, from Polk Street to Navigation Boulevard. N-2012T-0002 – The preliminary engineering report proposes York Street to be a 4-lane 2-way undivided thoroughfare with 12-foot lanes while Sampson is proposed to be converted into a 2-lane 2-way local road with parking lanes on the outside.

Magnolia Park Area M-2015-009-05 - The area was chosen for pre-engineering study because of inadequate drainage systems, inadequate water and sanitary sewer systems, and below average road conditions.

Table 19 - Capital Improvement Projects

Map #	CIP No.	Description	Cost	Status
1	S-000035-0153	Water Line Replacement in Commerce Area	$3,799,993	Future Construction
2	S-000900-0163	Miscellaneous Large Diameter Water Line Improvements Package No. 1	$8,000,000	Future Construction
3	S-000900-0131	72-inch Water Line from Dowling to Anita along Polk, St. Emanuel, Clay, Chenevert, Hadley, and Crawford	$23,161,000	Future Construction
4	N-100027-0001	S Lockwood Waterline Improvements	$8,281,000	Future Construction
	N-100027-0001	S. Lockwood Paving and Drainage: Crites Street To Harrisburg		Future Construction
5	N-000670-0003	Harrisburg Overpass: Caylor St and 66th St (at HBTRR)	$7,000,000	Under Construction
6	N-210011-0001	Lawndale/Wayside Area Paving and Drainage	$10,009,191	Future Construction
	N-210011-0001	Supply Row Area Waterline Improvements		
7	R-002011-0087	Neighborhood Sewer System Improvements - Basin AS074, Basin SB142, and Fuqua Lift Station Force Main Discharge	$4,425,000	Future Construction
Rehabilitation Projects				
8	N-321038-0010	Concrete Street Multiple Panel Replacement: Polk St: Collier St To S Wayside		Under Design

Figure 29 - CIP 2015-2020

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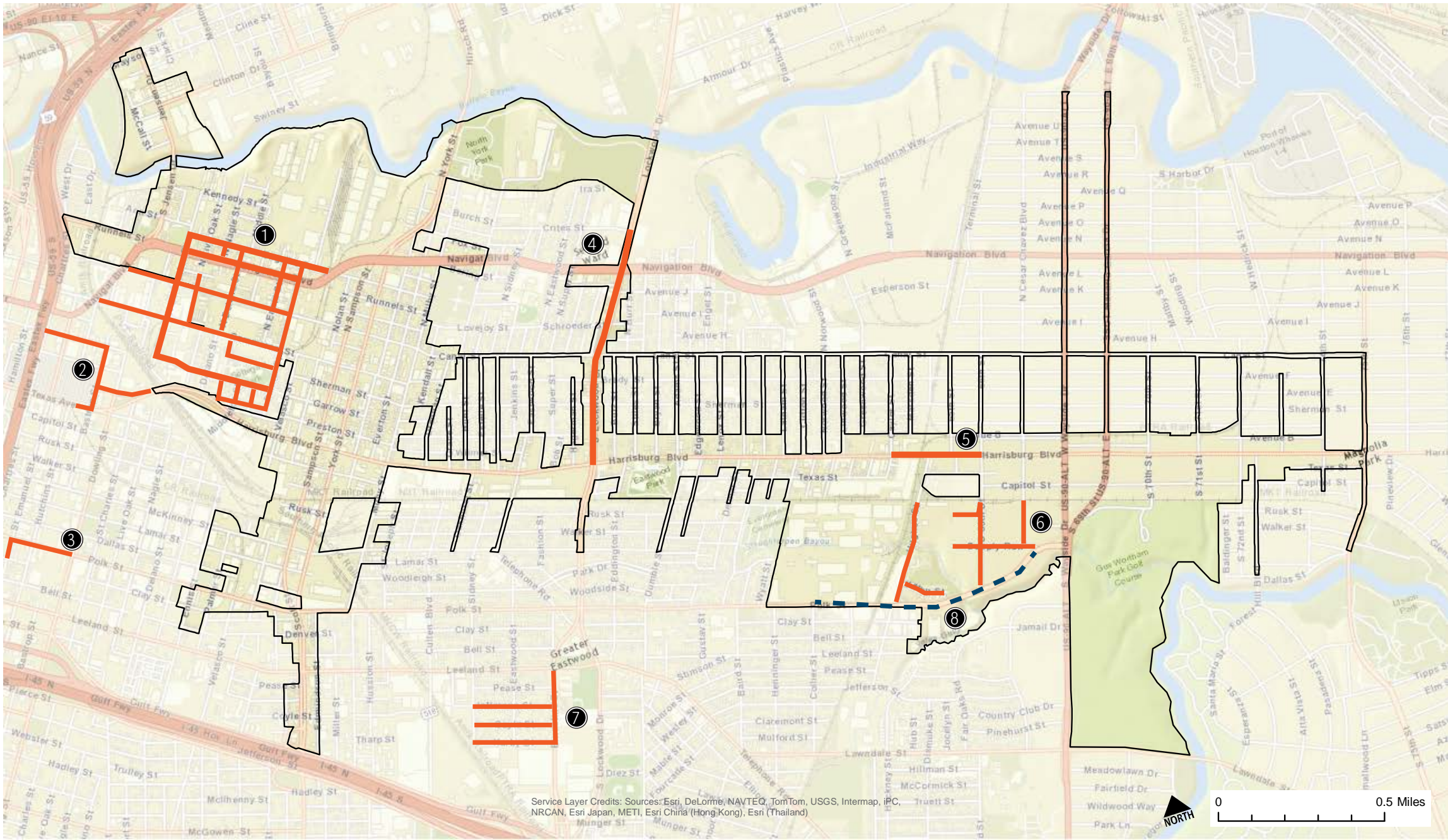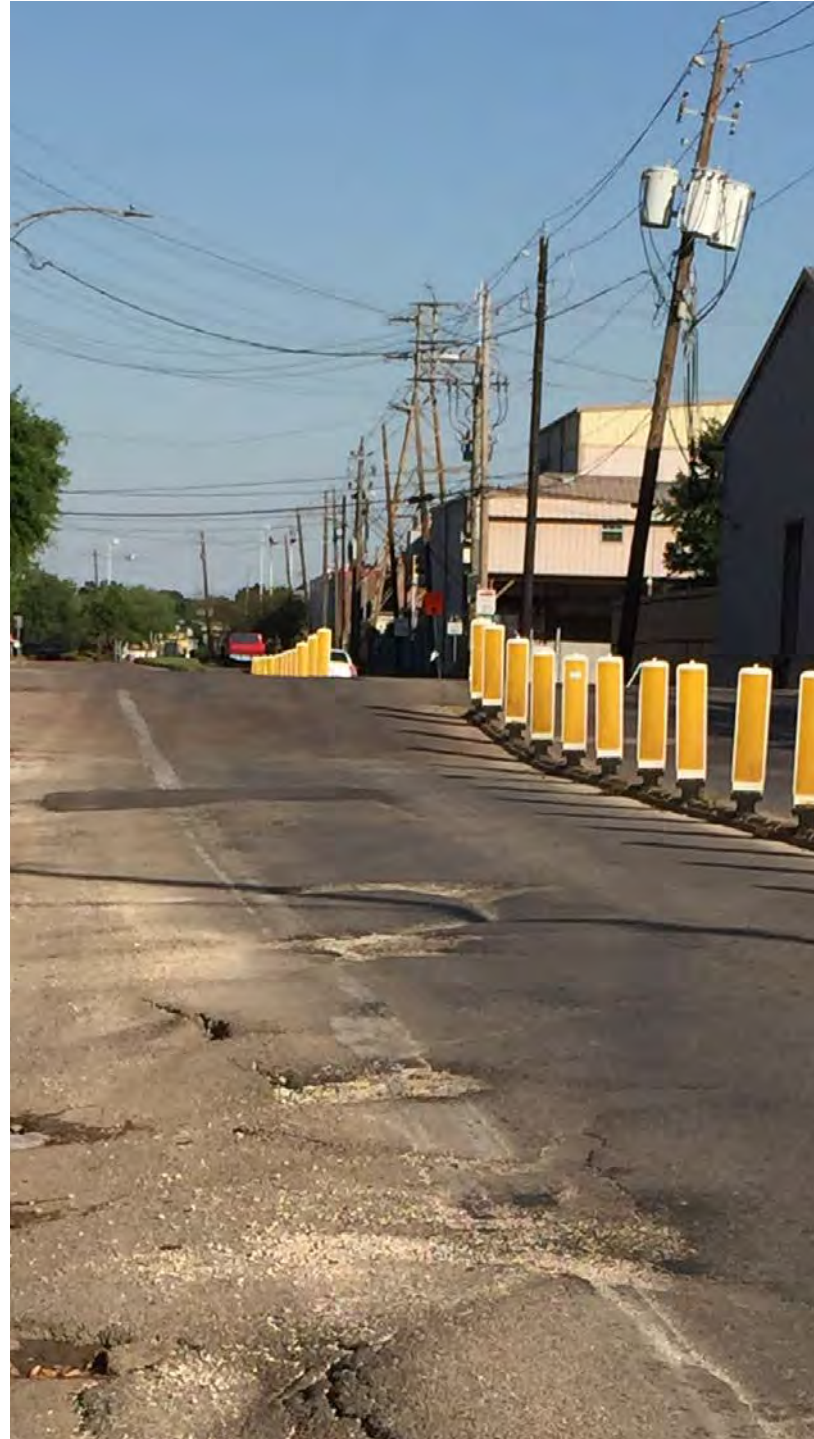
Observations

Based on field reconnaissance, the following general observations/issues were identified in the Zone. Through further study and evaluation these issues could turn into potential needs and specific projects for the area.

ROADWAYS AND TRANSIT

Improvements to Harrisburg have improved the entire corridor and brought light rail to the East End. By Fall of 2016, an overpass will complete the rail line and connect it to the transit center located near Wayside. Other roadways require improvements ranging from spot repair to reconstruction. Commerce Street and adjacent roadways, for example, appear to be in poor condition and are cited by area residents as a problem to be addressed. Other roadways such as Polk Street are in poor condition at critical areas.

SIDEWALKS AND PEDESTRIAN SPACES

The East End Management District has been particularly diligent in improvements to sidewalks and intersections treatments throughout the area, including landscaping and streetscape enhancements. Recent improvements near facilities such as Flores Library have helped to address some concerns by area residents. However, despite substantial effort, the condition of sidewalks and intersection treatments in other areas of the community remain unresolved.

TRAILS AND BIKE PATHS

The East End enjoys a series of dedicated hike and bike trails, including the Harrisburg Trail. However, the system largely depends upon shared lanes along within local neighborhoods and dedicated bike lanes that are often difficult to discern or in poor repair. While residents in the area note appreciation for current improvements, they look for additional improvements that would add to the safety and attractiveness of the system, as well as critical connections and continued improvement to pathways.

CULTURAL AND PUBLIC FACILITIES

The East End enjoys access to a number of facilities ranging from nonprofit entities such as Talento Bilingue de Houston, community support facilities such as the Ripley House established by Neighborhood Centers Inc., and City of Houston facilities such as Flores Library and Stanaker Library. Residents have cited a need for improvements to local cultural and public facilities, specifically citing Flores Library as an example.

PARKS AND RECREATIONAL FACILITIES

Park facilities in the community include such as Mason Park, Eastwood Park and Settegast Park offer an impressive range of facilities for East End residents. Gus Wortham Golf Course is proposed to be substantially improved in the future. The park system is also complemented by Spark Parks such as the facility located at Tijerina Elementary and public places such as the highly regarded and heavily utilized Esplanade on Navigation Boulevard. Residents have requested improvements to the existing park network such as improvements to the pool and other amenities at Eastwood Park.